FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

Central Eurasia

FBIS-SOV-95-233
Tuesday
5 December 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
Central Eurasia

FBIS-SOV-95-233 *5 December 1995*

CONTENTS

NOTICE: An * indicates material not previously disseminated in electronic form.

DUMA ELECTION ISSUES

Key Developments

NDR Reveals Financial Sources To Curb Rumors *[IZVESTIYA 2 Dec]* 1
Reportage on 'Elections '95' Campaign Coverage 1
Agrarians Discuss Subsidies, Land Code *[St. Petersburg TV]* 1
Zhirinovskiy Assails Banks, Yeltsin *[Moscow ORT]* 2

Election Guidelines

Deputies Question Legality of Election Law *[ITAR-TASS]* 3

Forecasts & Commentary

Zhirinovskiy Views Campaign, Military, China Trip *[Vladivostok Radio]* 4
NDR Campaign Chairman Discusses Elections *[MOSKOVSKIYE NOVOSTI 26 Nov-3 Dec]* ... 11
Daily Ponders CPRF Election Victory Scenario *[IZVESTIYA 2 Dec]* 12

INTERREGIONAL AFFAIRS

ITAR-TASS Carries Press Review for 5 Dec 17
New Chairman Praises Results of Assembly *[BNS]* 18
Baltic Assembly Elects Chairman, Adopts Resolutions *[BNS]* 18

RUSSIA INTERNATIONAL AFFAIRS

TRUD Notes Serbs' Wish for 'Fairer' Bosnia Deal *[5 Dec]* 19
Presidential Order Drafted Lifting Sanctions on FRY *[INTERFAX]* 19
Paratroopers Train for Operations in Bosnia *[ITAR-TASS]* 20
Grachev Says Military Ties With Israel Will Aid Peace *[TRUD 5 Dec]* 20
Insists Arms Trade 'For the Future' *[KRASNAYA ZVEZDA 5 Dec]* 20
Defense Minister Grachev Interviewed on NATO Issues *[Moscow ORT]* 21
Foreign Minister Kozyrev Backs Solana for NATO *[INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY]* 22
Kozyrev Supports Cooperation To 'Influence' NATO *[INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY]* 22
Number of NATO Aircraft Not Decreasing Near Boundries *[ITAR-TASS]* 22
Eastern Europe States Prefer NATO Arms to Russian *[KRASNAYA ZVEZDA 1 Dec]* 23
Finnish General 'Very Happy' With 'Gadfly' Missile Deal *[IZVESTIYA 2 Dec]* 24
UN To Help Free Russian Pilots Held in Afghanistan *[INTERFAX]* 25
Estonia's Handling of Troop Withdrawal Causes 'Concern' *[INTERFAX]* 25
Chief of Navy Seen 'Surrendering' Black Sea Fleet *[INTERFAX]* 25
WTO Sent Memo on Protection of Intellectual Property *[INTERFAX]* 26
Effect of EU Antidumping Legislation Viewed *[RABOCHAYA TRIBUNA 1 Dec]* 26

RUSSIA NATIONAL AFFAIRS

Political Issues

Yeltsin Receives Ilyushin; To Meet Chernomyrdin *[INTERFAX]* 28

Yeltsin Submits Accord on Partnership With EC to Duma *[ITAR-TASS]* 28
Filatov Briefs Yeltsin on Vologda 'Grain Affair' *[IZVESTIYA 2 Dec]* 28
Gorbachev Discusses Elections, Presidential Candidacy *[Rome LA REPUBBLICA 3 Dec]* 28
Daily Ridicules Plethora of Presidential Candidates *[IZVESTIYA 2 Dec]* 30
Government Approves Guidelines for CIS Commission *[INTERFAX]* 32
Decree Tightens Controls To Consolidate Reforms *[ROSSIYSKAYA GAZETA 2 Dec]* 33
Government Takes 'Emergency Measures' To Pay Pensions *[ITAR-TASS]* 34
Latest Personnel Reshuffles Seen Linked to Elections *[NEZAVISIMAYA GAZETA 30 Nov]* 34
Miners Trade Union Decides Against Strike *[RABOCHAYA TRIBUNA 2 Dec]* 35

Military Issues

Yeltsin Vetoes Bills on Military Service *[INTERFAX]* 36
Chernomyrdin Promises Support for Veterans *[KRASNAYA ZVEZDA 2 Dec]* 36
Kokoshin Meets Defense Industry Trade Union Leaders *[KRASNAYA ZVEZDA 2 Dec]* 37

Federal Assembly

Duma Overrules Federation Council Veto *[ITAR-TASS]* 37
Council's Fate Seen Hinging on Court, President *[KOMMERSANT-DAILY 29 Nov]* 37
Duma Urges Full Funding of Defense Spending *[ROSSIYSKAYA GAZETA 5 Dec]* 38

Regional Affairs

Chechnya Reportage; Terrorism, Negotiations, Elections 39
Dudayev Threatens Russian Bloodbath *[Munich TV]* 39
Volskiy Urges 'State of Emergency' *[Moscow Radio]* 39
Zavgayev Statement Condemns Bombing *[INTERFAX]* 39
Lobov Condemns Terrorist Attack *[ITAR-TASS]* 40
Zavgayev: Amnesty Decree Sets 'New Stage' *[Moscow NTV]* 40
Text of Amnesty Decree Published *[ROSSIYSKAYA GAZETA 5 Dec]* 40
OSCE Mission's Difficulties Growing *[INTERFAX]* 41
Maskhadov Refused Entry into Groznyy *[ITAR-TASS]* 41
Chernomyrdin: Elections Must Be Held *[ITAR-TASS]* 42
Khasbulatov: Chechen Elections a 'Farce' *[AFP]* 42
Lobov on Chechen Situation, Elections *[NEZAVISIMAYA GAZETA 29 Nov]* 42
Registered Candidates Listed *[ITAR-TASS]* 45
Candidates Speak on Current Issues *[Moscow ORT]* 45
Zavgayev Interviewed on Elections *[Moscow NTV]* 46
Volskiy Interviewed on Peace Talks *[Moscow ORT]* 47
Vorkuta Miners Allege Betrayal by Labor Unions *[SOVETSKAYA ROSSIYA 2 Dec]* 49
Primorye 'Knows Nothing' of Border Areas' Surrender *[INTERFAX]* 49

Economic Issues

Yeltsin Edict on Support for Exporters *[ROSSIYSKAYA GAZETA 5 Dec]* 50
Economics Minister's News Conference Reported *[SEGODNYA 2 Dec]* 50
First Deputy Finance Minister Optimistic Over Budget *[ITAR-TASS]* 51
Chubays: 1995 To Be First Year of Economic Growth *[ITAR-TASS]* 51
Decree on Changes in Some Export Duties *[ROSSIYSKAYA GAZETA 21 Nov]* 52
Defense Lobby Attacks Loans-for-Shares Scheme *[NEZAVISIMAYA GAZETA 2 Dec]* 52
Agrarians Press For More Funds; Nazarchuk Cit[illegible] *[SEGODNYA 2 Dec]* 53
Currency Band Extension, Export Support Welcomed *[ROSSIYSKAYA GAZETA 2 Dec]* 54

UKRAINE

International Affairs

Reportage on President Kuchma's Visit to China 55

Kuchma: More Chinese Investment Needed *[Kiev International]* 55
Kuchma Address on Economic Policy *[INTERFAX]* 55
Ukrainian-Chinese Outer Space Cooperation *[INTERFAX]* 55
China To Intervene in Reducing UN Debt *[Kiev International]* 56
Udovenko-Led Team Discusses Cooperation in South Korea *[HOLOS UKRAYINY 1 Dec]* 56
Pinzenik Opposes CIS Customs Union *[NEZAVISIMAYA GAZETA 5 Dec]* 56
Sevastopol's Yermakov Argues for Slav Unity *[KRASNAYA ZVEZDA 1 Dec]* 57

National Affairs

Officials Insist Nuclear Accident Poses No Danger *[AFP]* 59
Environment Minister Views Chernobyl Problems *[URYADOVYY KURYER 30 Nov]* 60
Kuchma Approves Crimean Economic Experiment *[ITAR-TASS]* 61

Economic Issues

Labor Minister on Wages, Unemployment *[INTELNEWS]* 62

WESTERN REGION

Belarus

President Announces New 'Unique' Air Defense System *[INTERFAX]* 64
Poll: Lukashenka Most Popular Leader in CIS *[INTERFAX]* 64
Reaction Urged to Lukashenka's Praise of Hitler *[SVABODA 2 Dec]* 64

CENTRAL ASIA

Tajikistan

Government Concern About Tension on Afghan Border *[INTERFAX]* 66
UN Envoy Upbeat Over Future Inter-Tajik Talks *[ITAR-TASS]* 66
Observer's Deployment in Pamir Hoped For *[INTERFAX]* 66

CAUCASUS

Azerbaijan

Aliyev Interviewed on Nagorno-Karabakh Situation *[ITAR-TASS]* 67
Police Detain Three Oil Industry Workers *[TURAN]* 67

Georgia

Shevardnadze on Economy, European Commission *[Tbilisi Radio]* 67
Shevardnadze Dismantles Unit for Complicity in Terrorism *[Tbilisi Radio]* 70
Police Find Arms Cache on Mkhredrioni Member's Land *[ITAR-TASS]* 70
Power Line Linking Russia, Georgia Restored *[INTERFAX]* 70
Abkhaz Deputies Accuse Ardzinba of Betrayal *[SAKINFORM]* 70

BALTIC STATES

Estonia

EU Foreign Ministers Approve Tallinn's EU Application *[Tallinn TV]* 71
OSCE Commissioner Calls For Easing of Citizenship Law *[BNS]* 71
Vahi, Slovenian Defense Minister Discuss NATO Membership *[Tallinn Radio]* 71
Defense Committee Questions Defense Chief's Resignation *[Tallinn Radio]* 71

Saeima Deputies Disagree With Firing *[INTERFAX]* 72

Latvia

OSCE Experts Arrive To Inspect Skrunda Radar Station *[Riga Radio]* 72
Premier-Designate Wants To Normalize Russian Relations *[Riga Radio]* 72

Lithuania

Defense Minister Sees NATO Membership as 'Strategic Goal' *[INTERFAX]* 72
Vilnius Invited To Participate in Bosnian Peacekeeping *[ELTA]* 73

Key Developments

NDR Reveals Financial Sources To Curb Rumors

MM0412164695 Moscow IZVESTIYA in Russian 2 Dec 95 p 2

[Report by Vitaliy Kononenko: "It Is Not Only Gazprom Which is Financing Russia Is Our Home..."]

[FBIS Translated Text] The surprise expressed recently by Central Electoral Commission Chairman Nikolay Ryabov that there is virtually no money in the account of the Russia Is Our Home [NDR] association even though it is running an extensive advertising campaign across Russia caused confusion at the NDR headquarters. The printers, for example, demanded urgent guarantees of the bloc's solvency and the "NDR headquarters" headed by Sergey Belyayev had to open up their financial documents.

V. Grebennikov, deputy chairman of the NDR executive committee, told your IZVESTIYA correspondent that on 29 November there was a substantial sum of money — 6.6 billion rubles — in the election fund's account. So what prompted the Central Electoral Commission chairman's statement? In the opinion of the bloc's executive committee members, Ryabov had been "set up" by staffers of the Savings Bank. According to Yuriy Sizov, deputy chairman of the executive committee, specific staffers of the bank were to blame for the fact that transfers from NDR sponsors were not processed for six days in certain cases. In this regard the executive committee has prepared a report addressed to the chairman of the Central Electoral Commission indicating the names of the bank's staffers involved and suggesting that their actions were deliberate.

Who is funding the NDR election campaign? According to the executive committee's documents, approximately 30 industrial and financial structures have already transferred money to its account and a further 40 have already announced their readiness to do likewise in the very near future. They include banks, above all the Promradtekhbank, which services the military-industrial complex, the Avtovaz association, and of course Gazprom. In the next few days, according to representatives of the headquarters, the number of big and medium sponsors will rise considerably. It is interesting that there are very few private donations in the NDR election fund account.

Reportage on 'Elections '95' Campaign Coverage

Agrarians Discuss Subsidies, Land Code

LD0412191495

[FBIS Editorial Report] St. Petersburg Fifth Channel Television Network in Russian in its "Elections '95" program at 1800 GMT on 27 November carries a 15-minute broadcast by representatives of the Agrarian Party of Russia [APR].

Aleksandr Artsibashev, secretary of the board of the Russian Union of Writers, speaks first in the studio for the APR. He says: "Out of the almost 50 parties and movements taking part in the election campaign now, the APR is the only one which over two years has become a nationwide party, a party of the people which makes no empty promises but puts forward concrete and vital aims, first of all to give the farmer the opportunity to put seeds into the ground. Unless they do that, the state will collapse, Russia will collapse. Just think, the Central Electoral Commission had no sooner started to put the brakes on the registration of Yavlinskiy's bloc when the cry went up from America — 'We will stop deliveries of foodstuffs!' If you take into account the fact that Moscow, St. Petersburg, and other major towns are tied to importing 80-90 percent of their foodstuff, it is not difficult to guess what follows on from this. They know which string to pull!"

He goes on to say that Russia has always regarded the farmer as a second-class citizen and that investment in towns far outstrips investment in the countryside.

He continues: "Chernomyrdin claims now that a law on the private ownership of land is needed and that the reform won't progress without that. That is a monstrous lie. The land might be privatized three times over but if the economic conditions remain such that it's not profitable for a farmer to produce bread, milk, meat, nobody will set the plough to the field."

He says: "One gets the impression that the reformers have set themselves the task of halting production in Russia altogether, including of foodstuffs, so that the West can always keep us dangling on a hook. They need a seller's market. They need a poverty-stricken, mute Russia. In Moscow and the Moscow region, even before the law on land has been adopted, foreigners have put so many fences up around their offices and the firms acting as fronts for them there that sometimes you can't even find the road to get past them."

He goes on to criticize the reforms introduced by Yegor Gaydar, laments the demise of Russian industry, and says food is still in short supply outside major cities in Russia.

"The country is standing on the edge of a chasm and Boris Fedorov says 'Forward, Russia!' Where to?" he asks.

He says there is not enough money to buy what farmers grow: "It's better for it to rot, it's better for them to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

dump it than to let the people have it just so as not to stem the flood of imported foodstuffs."

He then introduces Tamara Tokareva, whom he describes as "the author of the land code." She states: "We recognize the right of citizens of Russia to have, as private property, plots of land for gardens, dachas, kitchen gardens, ancillary plots, land to build houses on with a garden. We recognize the right to pledge these plots as a gift, to bequeath, and to lease. We agree that there should be free turnover of these plots of land which provide for families. Apart from this, we assert that our citizens should not only be able to buy these plots of land for money but so that they should also have the opportunity to obtain such plots of land free of charge for lifelong use and for long-term lease.

"We do not intend to give citizens plots in unlimited amounts or to give them the opportunity to profiteer on these sectors. We think that there should be honest order here, common sense, but at least we are prepared to guarantee for everyone everything they need to provide for their families, for leisure, and for enjoyment.

"Regarding agricultural land, we are currently working on the basis of clear and realistic notions of how the situation in our country is developing, and therefore proceed from the premise that it is not possible to sell land at the moment. The fact of the matter is that there is, of course, a dispute over whether, in principle, arable land may or may not be sold. But consider, even if we recognize the principle of selling agricultural and arable lands, large areas of land, can such a sell-off be started now?" She goes on to list the economic and social problems facing Russia today and says that in the present climate the sale of land is inadvisable.

"We must find another version of redistributing land. We have found it along the lines of the policy being pursued by European and other front-ranking countries in agriculture. We propose redistributing land through leasing, not only farm to farm, but also farm to individual farmer, individual farmer to individual farmer or farm, to collective gardens, nurseries, livestock breeders, commercial agricultural enterprises, noncommercial enterprises for the development of various businesses, such as the construction of camping sites, petrol pumps — a piece of land can always be found between fields which can be leased.

"We propose that leasing should be protected by a term of lease, by a clear agreement, by the right to extend the lease, the right to turn it into a lifetime lease, a heritable lease, and we think that we will emerge from the situation without any great financial expenditure while at the same time defending the interests of agricultural workers, of all those who are ready to work on the land. Moreover, we recognize that the lessee will be defended by the law and should have the right after 12 years of continuous agricultural use of the land to buy it up at standardized prices. In our draft, we allow agricultural land to be sold to towns and building sites, under the general plan, to towns as a whole, thus we do not intend to offend townspeople and we give towns the opportunity to expand."

She criticizes the plans of other parties for land reform.

Vladimir Stepanovich Shrabak, rector of St. Petersburg State Agricultural University, speaks of his connections with agriculture and the dire state of agriculture in the country, and recalls the historical past.

Zhirinovskiy Assails Banks, Yeltsin

LD0412215495

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 1605 GMT on 4 December in its "Elections '95" program carries a seven-minute election broadcast by Vladimir Volfovich Zhirinovskiy, leader of the Liberal Democratic Party of Russia, LDPR.

Speaking in a studio with a model of an eagle on a plinth, Zhirinovskiy says there are really only two parties, the LDPR and the Communists. The rest are all temporarily organized political groups of people who have been or are in power.

He says Russia needs strong centralized rule, a single state with territories only and no national state formations.

He states: "Russia needs a pluralistic economy but its climate and territories require that 70 percent of all the economy, especially transport and communications, should be in the hands of the state. Since it is cold in our country it is inadmissible that there should be continual rises in charges for electricity, heating, and gas.

"In some villages old people cannot bring home their coal and the cost of delivery is half a year's pension. That is monstrous," Zhirinovskiy exclaims. He goes on to complain of transport costs, saying that people should be able to come to Moscow from the far north and far east.

The LDPR advocates that the state should regulate the financial system, he adds. "These thousands of commercial banks — they are all fraud, eyewash, and daylight robbery," he said. "Don't give any of them your money, especially all those joint stock companies like MMM, Khoper, Vlastelina, Russkiy Dom Selenga. The scoundrels will fleece you like Gaydar's government took the deposits in 1992 and you will never get it back."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

He says he will change domestic and foreign policy and get rid of millions of idle officials. "We will have a Central Bank which will forbid all the central banks to play about with the money from the budget, your money on deposit. Settlement within 24 hours. No remittance of payment in 24 hours and there will be criminal proceedings."

He states: As a result of the bankers growing fat on your poverty we have started dying 20 years earlier than before, families are splitting up, and your daughters are on the streets because you cannot buy them clothes.

He says Russia is the greatest country in the world; Central Asians lived in tents before the Russians came, but now they have modern cities and aeroplanes.

Makhachkala is the southernmost town of Russia, and the Caucasus Range is the frontier of Russia. There should be no independent states beyond the Caucasus Range.

"Whoever does not lay down his arms must be destroyed in two hours. If from a single village [aul] there comes even a single shot and if a single Russian soldier is wounded or killed, if you vote for the LDPR I will give the order to destroy that village . We will raze five or six villages to the ground with napalm and fire and there will be no war anywhere," he says.

He goes on to say if people vote for the LDPR there will be free education, not a single homeless person, soup for everyone who is hungry, work for everyone. Half the jobless are lazy, he asserts.

He adds that the people in power and the deputies are all former members of the Communist Party Central Committee. Only we have never supported democrats, we have always been tough on the president and government, he states.

"Only we toughly demanded the resignation of the government; I said it was a government of criminals, and they should be manacled and all sent to Lefortovo. I said that," he declares.

Going on to describe a meeting with President Yeltsin, he says: "I said: 'Boris Nikolayevich, the country is a shambles, the factories are idle, people are hungry, people are ill, dying, fleeing.' He went purple, he went green, and fell ill. He fell ill right after seeing me, in July after a conversation with me.

"After a conversation with [Duma Chairman Ivan] Rybkin and [Federation Council Chairman Vladimir] Shumeyko, sitting there with a sickly smile, they reported to the president. What did they report? They witheld the information about the shambles saying they did not know anything about it.

"Yeltsin today is Brezhnev at the end of 1982. He is a dummy. He is brought in and taken away. And what does the team do? [Yuriy] Baturin and [Georgiy] Satarov [presidential aides] and their ilk are a fifth column, like Chernomyrdin's entourage. Like in the Moscow government too. The fifth column operates right in Moscow as an FBI division.

"So vote LDPR, only then will there be order and improvement. Goodbye," the LDPR leader concludes.

Election Guidelines

Deputies Question Legality of Election Law

LD0412183995 Moscow ITAR-TASS World Service in Russian 1337 GMT 4 Dec 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Translated Text] Moscow, 4 Dec — A group of parliamentarians, headed by Irina Khakamada, suggested to their colleagues that urgent amendments to the law on the election of deputies to the State Duma needed to be made. An open letter from them was presented at a news conference held today by Deputies Vyacheslav Nikonov and Vladimir Lepekhin. In particular, the amendments should envisage introducing a second round of voting in elections in single mandate constituencies which, in the deputies' opinion, "will make the half of the State Duma that is elected by the majority system representative."

Another proposal is that the five percent barrier should be removed if the parties that surmount it in aggregate receive a minority of the votes of those who took part in the election. A "floating barrier" should be established so that electoral associations expressing the interests of majority of voters get into the Duma and not those representing an obvious minority, V. Nikonov explained.

The deputies also spoke to journalists about a statement that they had adopted in connection with the Constitutional Court's refusal to consider enquiries by parliamentarians on the compliance of a number of clauses in the law on the election of deputies to the State Duma with the Constitution. This refusal by the country's supreme judicial court "makes the development of a severe constitutional crisis possible," the statement notes. The deputies said "the fact that the Constitutional Court more or less dodged considering a very serious legal clash does not resolve the problem of the legitimacy of the upcoming parliamentary elections." V. Lepekhin, V. Nikonov and I. Khakamada consider that "the shortcomings in the law on the elections to the State Duma,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

where the matter of its compliance with the Constitution has not been clarified, makes protests about the elections possible, which may leave the country without a parliament."

Forecasts & Commentary

Zhirinovskiy Views Campaign, Military, China Trip

OW3011142195 Vladivostok Radio Vladivostok Network in Russian 0310 GMT 28 Nov 95

[Studio interview with Vladimir Zhirinovskiy, leader of the LDPR, and Yevgeniy Bolshakov, Maritime Kray LDPR representative, by Tatyana Zeyeva in Vladivostok; date not given; from the "Lunch Hour Break" program — live]

[FBIS Translated Text] At our guests' roundtable in the studio today are Vladimir Volfovich Zhirinovskiy, leader of the Liberal Democratic Party of Russia [LDPR], and Yevgeniy Aleksandrovich Bolshakov, a local LDPR representative you already know as we have met him in this studio several times before. The telephone lines for your questions, dear listeners, are 22-31-14 and 26-68-30. We have already received some questions, and I will read you the first note, which is not a question but a request. Radio listeners convey greetings to Vladimir Volfovich on his arrival in our city.

[Zhirinovskiy] Thank you.

[Zeyeva] Naturally, a question follows this note: What is the aim of the visit? Obviously, it is part of a preelection campaign, but could you give us more details. Who do you want to meet today, who have you already met, and what are your plans up to this evening?

[Zhirinovskiy] I think Yevgeniy Aleksandrovich should answer this question since...

[Zeyeva interrupting] Please, go ahead.

[Zhirinovskiy] ...we are here at his invitation. I will answer the more general political questions. He can tell you who we met, what we will do, and so on.

[Bolshakov] Vladimir Volfovich Zhirinovskiy and State Duma deputies from the LDPR faction arrived in Vladivostok for a short visit late yesterday evening. The visit will be very short, and therefore very busy. A press conference was held yesterday at the airport at which Vladimir Volfovich and the State Duma deputies replied to journalists' questions and met Vladivostok residents.

This morning we visited our house — I have in mind the meeting with the governor. The vice governor received the delegation, as did responsible kray administration officials. Following this there was a recording session for PKTV [Maritime Kray Television] which took about 55 minutes. Our respected Maritime Kray viewers will get to see this soon. Please contact with us. We can give you any information on telephone number 46-19-37, and our address is Stoletiya Avenue 32. Please call us.

After PKTV we came here, following this we will visit the memorial of Submarine S-56, and then there will be an appearance at the navy officers' club. This will be a direct meeting with voters and will be our deputies' response and report to our voters about work done and the tasks our party has set for the future. Then there will be another live television relay from 1810 to 1910 [0810- 0910 GMT] following which we will leave for the airport. This is our short program.

[Zhirinovskiy] And the time of the meeting at the navy officers' club?

[Bolshakov] The meeting will be at 1600.

[Zhirinovskiy] We invite everyone.

[Bolshakov] We invite everybody, attendance is free. Please come and ask questions. We are waiting for you and will be happy to see you.

[Zeyeva] You have not given the time of your appearance on the second television program. It will be on Maritime Kray Television beginning at 1810, so those who do not get a chance to ask questions now, dear guests, will be able to ask them during the one hour television broadcast. It, too, will be a live broadcast.

And now to the questions. There are many of them. Vladimir Volfovich, you have just come from China. What was the aim of the visit? After all China is our close neighbor, and we are very interested in relations with China here in Maritime Kray.

[Zhirinovskiy] We had many invitations. However, in view of the electoral campaign, we ignored them. China, though, is a big country with a population which has already reached 1.2 billion people. Soon it will have 10 times as many people as Russia, so we decided to devote two days to it. We spent Saturday and Sunday in Shanghai and Beijing. We saw they have not made the mistakes that have been made by our leadership. In other words, the economy is diverse but the state sector predominates, and the private sector is developing into new, previously unoccupied areas. In other words state enterprises are not being destroyed and the private sector is establishing its own enterprises. The same goes for rural areas.

Everyone is working, everyone. There were hardly any moments when groups of hooligans or loafers could be

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

seen in the city. There was a normal working situation and generally people are satisfied. We did not see any hungry, ragged, or bitter people. Overall, our impression was positive.

[Zeyeva] I am sure that at the meeting at the Kray administration this morning you raised the question of border relations with China, and in this regard we already have a listener's question on the issue.

What is your position on the Maritime Kray-China border and consequently your attitude to the Maritime Kray administration's position on this issue?

[Zhirinovskiy] We are categorically opposed to conceding any territory, not only here in the Far East, in Maritime Kray, but anywhere. Secondly, we favor regulating the flow of foreigners into Russian territory so that it is strictly within the framework of the law, so that they do not enjoy privileges over the local population, so that the presence of foreigners benefits the kray, and so that there are no illegal activities. In other words, relations characterized as mutually advantageous and by equality in partnership.

China is the closest of all, and we have a long land border, but there is also North Korea and Japan. We must develop relations with all countries, but also remember Russia comes first. We must have everything here. We must be richer, stronger, and more powerful and try to build all relationships that benefit us first of all. So we support the kray administration because it occupies the correct position on this issue and is tightening up certain areas to defend the interests of Maritime Kray and its residents.

[Zeyeva] The next question concerns the interests of Maritime Kray residents. Do you know about the power crisis in Maritime Kray, and how can you help? What can you do? Some time ago we had a long program with representatives of your party — you may remember there were about five people in the studio — and Yevgeniy Aleksandrovich responded to this question as it was already of great concern.

[Zhirinovskiy] All crises in our country are artificial. This includes power, transport, and others. Tariffs are hiked up sharply on purpose, I mean the cost of electricity for both citizens and enterprises. Tickets for trains and airplanes are made very expensive especially to promote the division of the country and to promote a deterioration in economic conditions. As a result we see a decrease in the life expectancy of our people. They have already achieved this. Every year two million Russians die prematurely precisely because of this policy, because of the economy.

Now the economy is primarily transport, communications, and power engineering. These are the most important things because the fact that [words indistinct] is standing somewhere is of no consequence. But the general economy is power engineering, transport, communications, food, and ecology — clean water and clean air. This is why the main blow is dealt to these and the ultimate aim, apparently, is to destroy the population. Unfortunately, this is being achieved today and the main culprits are in Moscow. They are the Chubayses, the Kozyrevs, Shokhins, Yasins, Shakhrays, Burbulises, Gaydars, and [name indistinct].

[Zeyeva] I do not know whether you know, but here in Maritime Kray the price of electricity and other services and municipal costs are being kept in check, they are very low here, at least the tariffs on electricity are lower than anywhere else in the Far East. Nevertheless we have truly serious problems here at the edge of Russia.

[Zhirinovskiy] It is artificial because we have an abundance of energy sources in the country. We have the most powerful hydroelectric power stations, many nuclear stations, huge quantities of peat, coal, mazut, crude oil, and gas. We are the most energy rich country. Overall, we are the wealthiest country. We can develop without any foreign ties. Everything is available in Russia, and energy in particular. As a matter of fact, a war is being waged because of it — a secret war in Russia for control of the country's energy sources as we have great reserves of coal, timber, oil, gas, and precious metals and this is what western monopolies want to lay their hands on.

That is why they are trying to sharply worsen our economy and to this end a suffocating tax policy is being pursued. A pricing policy is being pursued which sharply raises tariffs and a customs policy is being pursued which makes it more profitable to buy everything in South Korea, China, and Japan than to get goods from various parts of Russia. In other words, capital automatically leaves Maritime Kray while goods that are often worthless are brought in. So there you have proof of how Russia is being turned into a garbage dump.

[Zeyeva] But it really is easier for us to buy everything from the near abroad than to bring it from the center of Russia, is that not right Yevgeniy Aleksandrovich? The next question: All the parties have good programs, and this includes your party. They have good intentions. But what will happen if these programs are not implemented, and in particular the program of the LDPR?

[Zhirinovskiy] This is the most important problem, the main question of the elections. Everybody has the same

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

program. They will all promise a better life, every one of them.

[Zeyeva] Yes, and concern for the ordinary worker.

[Zhirinovskiy] Yes, and concern. All of them will make promises and all of them will engage in deceit. So the voter must decide who to vote for from the point of view of reliability. What can I suggest here? Well, first of all the history of our party and the faction's activities in the State Duma are already proof that we are the most reliable. Our hands are clean — not a drop of blood, not a spot of dirt, no corruption. We were the first to appear in the political arena, we were the only ones to participate in the election for the president, we were the only ones to support the GKChP [State Committee for Emergency Situations], we were the only ones to adopt a correct position in the October crisis in Moscow two years ago.

It also turned out that we had the most correct position on the Caucasus issue. So here we are clean. We are the only opposition party. All the others participate in the government, including the communists and agrarians. That is why on all counts the LDPR is the party to vote for on 17 December, both on party lists, where we are listed under number 33 — which is easy to remember, the age of Christ, the 33 epic heroes. Many people received threes at school as not everyone managed to be a good student because it was difficult for parents to give us the proper food and clothing and help us with tutors and teachers for additional studies.

Now as far as reliability is concerned, what can I suggest. Remember how you chose your marriage partner, your future wife or future husband. How did you choose them — with your heart? So if, in your heart, you feel this party is the most reliable, that it will not betray you, that there are no turncoats, traitors, or double-crossers in it...[changes thought] It is a party whose leader was never a member of the CPSU [Communist Party of the Soviet Union]. That is me, the only leader among all the others who was never in the CPSU. We are not anti-communists. Rank and file communists, particularly those in Maritime Kray, are not guilty of anything. However the leadership of the CPSU — the party of betrayal — they destroyed the USSR after which our economy crashed.

Furthermore, you can look at their biographies: Where they studied, where they underwent training, and where they worked. Yavlinskiy: Studied at Harvard in the United States. This is a special educational institution where people are trained so that when they are back in their own countries they can destroy them and pursue an American line. Boris Fedorov! Where did he work? The International Monetary Fund, the organization which is destroying our financial system. Gaydar? Who does he consult? The French! The French have always pushed Russia into war with Germany and plunged us into two world wars. So in this sense ask, where was this person over the past five years? Gaydar: (?the journal KOMMUNIST) welcomed the political economy of socialism; Gavriil Popov, dean of the economy faculty of MGU [Moscow State University], was also political economist of socialism; Yavlinskiy: Where is he from? From Lvov. This is a hotbed of anti-Russian sentiments. Russians there are called Katsap, Moskal, and so forth.

We look at their biographies, their activities, at their work abroad, ties with the foreign Mafia, ties with the internal Mafia, and so forth. Yet they are all ministers, they have all participated or are participating today in the running of the state — all of them. Gaydar was even prime minister. Or they were simply ministers or, like Chubays, Kozyrev, Shakhray, and so on, they are ministers today. Or they were first advisers, like Burbulis. They have already done everything bad they could. So none of them can be trusted. Only the LDPR.

[Zeyeva] The right to choose on 17 December lies with the voters. Now, as the presenter, I have the following question: Who, among the population, are you relying on for support?

[Zhirinovskiy] We are basically counting on the provinces, because Moscow is a fat-cat [zazhravshiysya] city. All the nomenclature, all the diplomats, all the academicians, all the leaders of foreign communist parties have settled in this city. It is a city of cosmopolitans. So, primarily, we count on the provinces. Secondly, the power structures, because we have always supported them. This includes the Army, the KGB, MVD, fleet, aviation, space, Spetsnaz, OMON, Alpha, Vympel, and so forth. We have supported and will continue to support all of them. We rely on the youth. There are 30 million of them and they have been abandoned.

We are supported by lesser officials and white collar workers, the second level of intelligentsia or the one which has not been given an opportunity to join the leading ranks or to move into a broader arena. They are being hindered. And generally parties at all levels. We are also supported by kolkhoz workers and farmers, soldiers and generals, and students and academics. We have the broadest spectrum, we are the majority party in our country.

[Zeyeva] A question to Yevgeniy Aleksandrovich Bolshakov. Yevgeniy Aleksandrovich, what is the size of the party branch here in Maritime Kray? How big is it?

[Bolshakov] Well, this is secret information, however I can say that we have primary party organizations in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

every rayon of Maritime Kray. This year they have been growing very rapidly and on the basis of these party organizations we are establishing party group organizations. In other words, party construction is proceeding with great success and I think that we will have our party organization in every settlement, village, and city. People are drawn to us and we are satisfied with our work.

[Zhirinovskiy] I would like to explain a little. Some radio listener may ask: Why is this information secret? What are they hiding? Now if Yevgeniy Aleksandrovich were to say that in some rayon of the kray we have a powerful party organization, pressure will immediately be brought to bear on this rayon's administration. However, throughout the country, and I mean in general numbers, we already have more than 200,000 members and by the end of the century we will bring the number of party numbers up to one million. We do not need more than a million.

The party has the most powerful material base at its headquarters, including transport, management equipment, and a newspaper with a run of four million copies a month. Subscriptions to the LDPR newspaper will be available from January 1996. Now newspapers, leaflets, audio and video cassettes, and brochures are always available at the party's headquarters in Vladivostok and they reveal every topic and problem. They can be read in comfort at home and you can better and more deeply learn about our program.

[Zeyeva] Vladimir Volfovich, to continue what you have just spoken about, there is a question from one of our listeners: Please name the sources of the LDPR's party funding, because, of course, the newspaper, headquarters, and so forth require lots of money.

[Zhirinovskiy] It requires enormous amounts of money and it is all done with voluntary contributions. Thirteen million citizens of Russia voted for us two years ago. Even if they donate only 1,000 rubles a month — this is the cost of a packet of cigarettes or half a loaf of bread — it would amount to 13 billion a month. So we have money. But it is still insufficient, and so I appeal to all citizens: Help the party. You will be helping yourself because those who are in power have more money and more opportunities. We are purely an opposition party and so everything that we have we have only from you. You are tearing this money from your pensions, wages, and grants and helping the party.

[Zeyeva] Let us continue the questions about parties. Here are the questions: 1. Do you support the communists? 2. Why don't you unite with Svyatoslav Fedorov's party or, more generally, will you be uniting with any party or movement?

[Zhirinovskiy] The weak unite. When there is no party people unite in a mob, a flock, or bloc. Now when you have a party and it was victorious in the last elections, there is no sense in uniting with anyone as this would be a mixing of styles, a mixing of doctrines, concepts, and courses. What sort of party is Svyatoslav Fedorov's? Why does he think he has a party? He is a physician, a physician who received several tens of millions of dollars in credit from Ryzhkov. He built a center for eye microsurgery. So far he has not returned the money. Right now he is a false entrepreneur.

If you give $18 million to every Russian entrepreneur for free, gratis, they will all become billionaires. So this is all a sham, these are Potemkin successes. Let him return the money Ryzhkov gave him for his entrepreneurial activities, then we can say he is truly a clever economist. It would make no sense for us to unite with him. He is elderly, and besides he is in need of an improvement in his own eyesight. But for some reason he has not had an operation, nor have any of his relatives. Nobody has told me his operation helps much. In fact, after a certain period of time sight begins to deteriorate again.

[Zeyeva] It is hard for me to judge, as I do not think any of my colleagues have had this operation by Svyatoslav Fedorov, but if he helps someone this probably cannot be bad.

[Zhirinovskiy] That's fine, let him help as a physician. But why get into politics? If I were to do operations on people's eyes, you would all be blind. What I want to say is that an ophthalmologist should not engage in something he is unfamiliar with. Each person should get on with his own professional job, be he a fireman, builder, or salesman.

[Zeyeva] We have several questions concerning nationalities. What about reports you want to leave 50 million Russians in Russia? I do not know where this figure comes from. [Zhirinovskiy tries to interrupt] And, excuse me, a second question about your attitude to other nationalities and religions? For example, your attitude towards paganism seems to bother one of our radio listeners.

[Zhirinovskiy] There must be a mistake. I said that the plans of the West and the fifth column in Russia are to sharply decrease the population of the Russian Federation. First, it will be say... [pauses] Today there are 145 million, soon it will be 120, then 80, 50, and by the middle of the next century there will be only 25 million Russians left. They will live in Moscow, Vologda, and Arkhangelsk unless we sharply change our course.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

So, on the contrary, we favor creating conditions for the Russian nation to develop and flourish and of all other minorities to live with us as neighbors. We are against any discrimination. In particular, we know there are very many Koreans, the indigenous Udegey minority, and so forth in the Kray. We would like everyone to feel himself a citizen of Russia, with less emphasis being made on nationality. As far as religion is concerned, we naturally consider that we basically remain an Orthodox Christian country and it is undesirable for foreign preachers to be very active on the territory of Russia as our Orthodox priests are not as active beyond Russian borders. Paganism is not so bad. It could be encouraged, let it exist, there is no need to interfere. But Orthodoxy must be the main religion.

[Zeyeva] Thank you. The next group of questions concerns deposits. People were swindled. People deposited money in various pyramids and insurance funds. It is a well-known story involving MMM, Russkiy Dom Selenga, and so forth. I do not want to hurt anybody's feelings right now. Maybe I am not entirely right and one of these companies is continuing its operations, but nevertheless, people have lost their money. Has the State Duma discussed any of this and how do you as a party intend to help people, to return their money?

[Zhirinovskiy] You know, you and I have been caught on a hook twice, we have been swindled twice, and robbed twice. The first time it was by Gaydar and his government in January 1992 when our deposits were stolen. We really did have savings. Somebody had 3,000, somebody 5,000, and somebody 10,000. This was money for furniture, a car, or a dacha. All of this he stole from us so he, Gaydar, is a criminal.

Apparently this was not enough, so they had to steal again. This was done through fake, fictitious, and illegal organizations such as MMM, Russkiy Dom Selenga, and others which once again removed the people's money. What was the aim of this? To create a class of unlawful billionaires and to make this the official basis for a new regime, a new government which would be supported mainly by swindlers and those who got money illegally by robbing the people. And, of course, the most important task was to permit the most rapid destruction of Russians since without money and without an opportunity to eat properly, dress well, get medical treatment, enjoy vacations, and study people will die prematurely.

The party itself has a negative attitude towards this. We voted not only to deny Mavrodi his deputy's immunity, but we even ended his mandate early. He is no longer a deputy and therefore investigative bodies can resume their inquiries and send him back to jail. The same goes for Russkiy Dom Selenga. This organization alone robbed the population of 1.4 trillion rubles. So all of these organizations could be readily banned, their leaders arrested, and an investigation carried out. The strictest punishment measures should be invoked and all the remaining funds should be recovered and returned to the population.

[Zeyeva] You cited the case of Mavrodi. It seems to me, if I am not mistaken, that this has been the only occasion in the State Duma when someone has been denied deputative immunity, is that right?

[Zhirinovskiy] No, no his mandate was terminated early and he stopped being a deputy. He is now simply a citizen.

[Zeyeva] Another question: What can be done about deputative immunity? What is your position? As far as I know this question has been discussed many times in the State Duma.

[Zhirinovskiy] Deputative immunity is needed very much because the political struggle gives rise to tensions. If someone takes a disliking to a deputy a criminal case will be fabricated, and he will be practically knocked out of the political struggle. So if you do not want potential criminals to get into the State Duma, it would be better to give this some thought before the elections and not after the elections. Just recently the fourth State Duma deputy, Markidonov, was killed in Chita. So you see, not only does immunity not help, the status of deputy in general does not stop our killers. There is no other country in the world where a deputy is killed every six months. It may occur once every 50 years, whereas here every six months a deputy, a minister, a priest, a journalist, and a singer is killed. There is a monstrous growth in crime, so immunity is absolutely necessary. On the other hand, if we see that deputies are scoundrels we will not only deny them immunity ourselves, we will even annul their mandate ahead of schedule and turn them over to the legal authorities.

[Zeyeva] Before the last elections you had an extensive program to fight crime. As you have said yourself, during the past two years crime has become even worse. Was the program impractical or is it useless to fight crime?

[Zhirinovskiy] In order to fulfill our program, not only in the fight against crime but in the general development of the country as well, we need a majority in the State Duma. We need a majority in the government and we need the post of president. Today we have only 12 percent of the votes in the State Duma. If we get 40 million votes on 17 December, or if our representative becomes president on 16 June and we

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

form the government, only then will we be able to fulfill our promises and as a priority start a decisive struggle against crime. I can outline the program specifically. There are five points that need to be fulfilled in order to sharply decrease crime: 1. Return former personnel, as today girls without a legal education sit in [words indistinct] while professionals have joined criminal organizations and head the security services that protect these bandits; 2. Use the national principle when settling scores. In other words let criminals destroy criminals; 3. Give them the opportunity to go abroad; 4. Legalize their economic businesses. Let them engage in business legally and get off their criminal paths; and 5. Intensify suppression of crime. Expand the use of weapons by uniformed officers, and this will naturally allow them to cut the growth of crime.

The most important things are the economy and culture. The wealthier our lives and the higher our cultural level, the fewer criminals there will be. But even today we have fewer crimes in our country than in rich America and fewer than in cultured Europe. Even today, the only indicator with which we have not yet matched Europe or the United States is crime. The crime rate still remains lower here, even though we imagine it to be frightening because it used to be even lower. But as far as crime is concerned, we are still ahead of America.

[Zeyeva] We have not caught up with America yet?

[Zhirinovskiy] I mean it is lower, we are still better in this indicator. [music and a short break interrupt the interview]

[Zeyeva] Let us continue. The next question from a listener is — and I think I understand this question properly — why did you first vote for the government's dismissal and then not vote for its dismissal?

[Zhirinovskiy] This is complete disinformation on the part of the press. The only party which consistently came out for the government's dismissal was the LDPR and only as a result of our faction's activities did Yerin and Stepashin leave. We now have a new Internal Affairs Minister and a new chief of the FSB [Federal Security Service]. Only under our pressure was the State Duma resolution adopted asking the president to retire Kozyrev. And in July there were three votes and three times only when the LDPR faction, the majority percentage-wise, voted against the government.

The press sometimes distorts things and some of our voters do not know who voted for what, and so such mistaken impressions are formed.

[Zeyeva] There is a question here about the press, if you will permit me. It is somewhat different to the other questions, which can be grouped together by topic, and stands alone. Six months ago KOMSOMOLSKAYA PRAVDA carried an interview with your son in a restaurant where the coffee cost $15. What does your son do for a living and, in general, how do your relatives live? Literally a few days ago the same paper carried an article saying you are moving your family almost to the very middle of Moscow?

[Zhirinovskiy] This is the latest lie. The KOMSOMOLSKAYA PRAVDA correspondent, a girl whose name I have forgotten, met my son in the street on a bench and not in a restaurant. But to spice up her story she named some cafe that charges several dollars just to get in, and she talked about coffee. These are pure lies. He has no desire to meet anybody. But in an effort to somehow compromise the party they fabricate these lies, they try to find some way to deal a blow to the party. Now they are writing about somebody moving.

I am the only deputy who has not improved his living conditions. All State Duma deputies, those who needed it and particularly those from out of town who had absolutely nowhere to live, all received housing with the exception of deputy Zhirinovskiy, who received nothing. He received nothing, even though he requested official space closer to the Duma as it takes him an hour to travel from his house to the Duma. I have yet to receive anything. But, as usual, the press is telling lies.

So all I can say is that when you are listening to the radio or television and reading the newspapers, remember that there is an information war on right now and 90 percent of the information is lies. And in general, politics is the art of deceit. So in this case you must think at the elections: Will this lot deceive us or not? Are they lying or not? This is the whole idea of the elections. For now, the programs, people, costumes, and newspaper articles are of no significance. It is a question of reliability, and in this case the press often carries lies about us.

[Zeyeva] To continue this question. Yevgeniy Aleksandrovich is an out-of-town deputy. Did you improve your living conditions in Moscow?

[Bolshakov] In Moscow I was offered a two-room apartment which I occupy as an out-of-town deputy, and when my mandate expires I must return it. If my mandate is extended, in other words if I win the elections...

[Zeyeva interrupts] You are running for the State Duma?

[Bolshakov] Yes, and apparently this living space is official. My registration runs until 1 January 1996. My registration ends temporarily on 1 January and I will have to relinquish the apartment and its keys and wave goodbye to Moscow.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Zeyeva] Thank you for your answer. The next group of questions are: What have you done for the military since the last election? And also, what is your attitude towards the military today and towards the war in Chechnya? It is a war after all, no matter what it is called. What will you do to end these actions in Chechnya as soon as possible?

[Zhirinovskiy] We have a very positive attitude towards the military and to everyone in uniform in general, including the military, the KGB, the MVD, and all Spetsnaz troops, and pilots — everyone in uniform. We consider that the state is bound to show maximum concern. The size of the armed forces must be not fewer than three million. The KGB should have no fewer than one million on its staff and the MVD not fewer than a million. These five million make up only five percent of the working-age population. We can easily maintain them and provide them with good conditions.

The war in Chechnya will continue until the moment when its conclusion is necessary for the presidential candidate. I mean, if the current president, Yeltsin, wants to remain president he will end it two days before the elections in order to receive the maximum number of votes. He will say: You see, the war has ended, I gave you peace. Vote for me. So the war in Chechnya is being used for political purposes. That is one. Two, there is a global aim: To embroil the Orthodox in a quarrel with the Muslims. Three, it facilitates money-laundering from the sale of narcotics and arms. Four, it serves as a way to try to ignite a major civil war in Russia. And five, it serves to destroy our army, because the constant defeats in Chechnya make it possible to disband certain military units.

How to end the war? If I was the current president I would end it in several days. First I would give an order to the commander of troops in the North Caucasus and give him 24 hours for weapons to be surrendered. Second, if a shot is fired from some village or aul [the name of villages in the Caucasus] and if just one Russian soldier is wounded or moreover killed, I will issue an order that the village or aul be completely burned to the ground.

So the entire war in Chechnya could be finished in a week. But besides this I have talked to Dudayev — for about four hours two years ago before the war, when the situation was still calm — and I know that there are 230,000 fanatical Chechens who want to establish their own state. I told Dudayev: An independent Chechen state must be established but in a different location beyond the Caucasus Mountain Range. And I directly pointed to the south of Azerbaijan — Lenkoran, the capital of a new Chechen state. What would be its advantages? The Caspian, the sea, subtropics, and the Muslim state of Iran next door. And a permanent separation from Russia.

In other words there would never again be any Russian-Caucasus wars. The Caucasus Mountains would be the southern border of Russia and there will never ever be any independent states in the North Caucasus. Everyone who wants to establish an independent state must cross over the Caucasus Range. There, on the territories of Azerbaijan and Georgia, they can set up new independent states. So the war in Chechnya is plainly a political maneuver which is needed by certain politicians in Moscow and outside of Russia.

[Zeyeva] A question about statehood. Your position on the Chechen issue is clear, but our listeners ask: What is your attitude to the reunification of Ukraine, Belarus, and Russia?

[Zhirinovskiy] This will inevitably occur in the very near future. First Belarus, then east and south Ukraine, then Kazakhstan. These are parts of Russia. As far as west Ukraine is concerned — Lvov, Ternopol, and Ivano-Frankovsk — there the establishment of a Ukrainian Republic is quite possible. This will forever end the separatism of the Ukraine. The eastern and southern parts of the Ukraine will simply be inalienable parts of Russia. It will not be Ukraine but the Dnepropetrovsk, Kherson, Odessa, and Nikolayev provinces of the Russia state. We will forever do away with such ideas as a separate Russia, a separate Belarus, and a separate Ukraine. We will have a single Russian state.

[Zeyeva] Another question, and there are more than one such question: When will the new benefits for war veterans go into effect. As you know there is a law on war veterans but unfortunately so far there is no mechanism for implementing it.

[Zhirinovskiy] Many laws have been adopted, but the Ministry of Finance and the Government have not allocated money for them. That is why nobody will give veterans, pensioners, and invalids anything. The aim of the current leadership is to decrease the population of Russia. It is beneficial for them. The sooner they die the better. The need for apartments, food, work places, and other concerns in general will decrease. And this aim is already being achieved.

I have said that in addition to the natural death rate, two million people are dying prematurely. So pensioners, veterans, participants in all kinds of war, Chernobyl [cleanup workers], Afghan veterans, and so forth need not anticipate that the current government will give them anything. Only the victory of the LDPR will ensure the fulfillment of all resolutions and laws on benefits

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

for all, including participants in all wars, veterans, and participants in all those events — Chernobyl, Afghanistan, Chechnya, and so forth.

[Zeyeva] And now probably the last topic — there are many questions but the topic is the same. As we know, you have already declared that you will run for the position of president next year. It is an interesting question: If you become president, what will you do with Nemtsov [governor of Nizhniy Novgorod Oblast]?

[Zhirinovskiy] First and foremost, I want the governors of Russian provinces to be elected by the country's population. Secondly they should be mature people and should mainly be from those professions that are the most characteristic of their regions. A young man and theoretical engineer such as Nemtsov [Nizhniy Novgorod head of adminisitration] is in no way suitable for the responsibility of administration head of such a major province of ours as Nizhniy Novgorod. He is also one of the most rabid representatives of the fifth column in Russia.

It is precisely the Nemtsovs, Gaydars, Yavlinskiys, Fedorovs, Burbulises, Shokhins, Yasins, and so on and so forth — some 10 to 15 people — who make up the fifth column. They are people who set the destruction of Russia as their aim. Their destiny is emigration. All of them should leave Russia so that we can live in peace.

[Zeyeva] And if they do not want to leave?

[Zhirinovskiy] Let them work in their professions. As radio engineers for example. Radio engineer Nemtsov can work somewhere in a Nizhniy Novgorod workshop repairing three-channel loudspeakers.

[Zeyeva] Thank you. It is five minutes to two on the clock in the studio and our time on the air is coming to an end. If my memory does not fail me, Vladimir Volfovich just said that most of the information in the press is distorted 90 percent of the time. But the live program today allowed you, dear radio listeners, to hear from the horse's mouth, so to speak, his position on many issues. So as I understand it, this figure has nothing to do with today's program.

[Zhirinovskiy] Everyone ought to know that in general this is a world policy. An information war is underway throughout the world. Information channels are deceiving billions of people on earth. It is a way of waging a war against the population by all governments on earth.

[Bolshakov] Vladimir Volfovich, I want to add that this studio is very honest and decent. They ask clear, understandable, and precise questions without any quibbling.

[Zhirinovskiy] For this we thank you.

[Zeyeva] Thank you for your kind words Yevgeniy Aleksandrovich. Our live program was a success despite the weariness of our guests after their journey. After all, when you travel by air you experience time changes and you have a fairly tight schedule. Thank you for participating in our live program. I would like to remind you that today Vladimir Volfovich Zhirinovskiy, leader of the LDPR, and local LDPR member Yevgeniy Aleksandrovich Bolshakov were in the studio.

[Zhirinovskiy] I would like to thank your radio company for strictly adhering to the law on the status of State Duma deputies. Goodbye.

NDR Campaign Chairman Discusses Elections

MK0112135095 Moscow MOSKOVSKIYE NOVOSTI in Russian
No. 82 26 Nov-3 Dec 95 (Signed to press 28 Nov 95) p 6

[Interview with Sergey Belyayev, chief of the electoral staff of "Russia Is Our Home" (NDR) and chairman of the Committee for the Management of State Property, by Vadim Akchurin; place and date not given: "'We Are Not Promising Anything Extraordinary'"]

[FBIS Translated Text] [Akchurin] What benefits will the victory of your movement in the parliamentary elections bring to average citizens?

[Belyayev] Currently the Russian government is actually continuing economic reforms. The government bloc's participation in the elections is prompted by the elementary wish to carry things to the end. At the same time, the NDR is not promising anything extraordinary. We are convinced that, if the reform course is retained, most enterprises will start operating efficiently by the end of 1996. Prices will probably continue rising, but we will seek to make their growth slower compared to the pace of wage raises. As early as this year we are planning actually to start paying compensation for devalued individual savings. Six months ago I would have called this unrealistic. Yet, now the government is fully capable of taking such a step.

[Akchurin] And what if the Communists win a majority in the State Duma?

[Belyayev] Unfortunately, such a danger does exist. I am worried, for instance, by the fact that the Congress of Russian Communities [KRO] and the Communist Party of the Russian Federation [CPRF] can form a left majority in the Duma. Such an alliance is very dangerous for the future of the reform. It is often said that there will be no bloody terror if Zyuganov comes to power. Maybe, there will be nothing reaching the scale of 1937. But I am absolutely certain that the Communists will put the initiators of the reform on trial.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I can agree that there are many good people among the Agrarians and the Communists. But these good people are bound to propel to the crest of power those who will wring our necks, as well as theirs. I do not rule out that, if these forces win the election, the first laws they will pass will be aimed at dismantling the privatization program and annulling its results. The danger of yet another new nationalization is, unfortunately, still there.

[Akchurin] What are your bloc's relations with the Armed Forces?

[Belyayev] It would seem that, since the president and the prime minister of the country have defined their positive attitude to the NDR, the military ought to back them. In reality, however, even some top military commanders have jumped on various blocs' bandwagons. Many of them are trying to enter the State Duma only to defend military interests there. The lobbying for their parochial interests by the military is an extremely dangerous phenomenon. At the same time, you cannot deprive servicemen of their rights. For this reason we are trying to invite officers, first of all, military experts working at the government, to join our campaigning effort.

[Akchurin] Whom do you think the army will back in the elections?

[Belyayev] I think that three blocs now enjoy popularity among the military: the CPRF, whose program is largely directed toward the past, when servicemen were a privileged part of society; the KRO; and the NDR. Many people think that a considerable part of the army will vote for Zhirinovskiy. But it seems to me that intelligent people cannot fall twice for the same bait. I am deeply convinced that no one in the military wants a war or dreams of washing his boots in the Indian Ocean [allusion to Zhirinovskiy's slogan].

Daily Ponders CPRF Election Victory Scenario

MM0412145795 Moscow IZVESTIYA in Russian 2 Dec 95 p 4

[Article by IZVESTIYA Analytical Service, incorporating contributions by Mikhail Berger, Zinaida Bunina, Teymuraz Mamaladze, Vladimir Nikitin, Sergey Chugayev, and Konstantin Yashchenko: "If the Communists Come to Power...."]

[FBIS Translated Text] A specter is haunting Russia — the specter of Communism. Attributing to it the personal characteristics of widely known comrades, the politicized public in all its forms — from sociologists to the press — is predicting an unconditional victory for the CPRF [Communist Party of the Russian Federation] at the 17 December elections.

The Communists themselves are actually disinclined to exaggerate the forthcoming victory's scale, importance, and degree of influence on Russia's future. Anatoliy Lukyanov, for example, calls on his comrades in arms not to become too conceited, emphasizing that talk about the CPRF's victory is originating exclusively from among its opponents. As for the "opponents" themselves, ranging from the right to the left, they are openly intimidating voters with a communist comeback.

Who is right, or rather who is more sincere? Sincerity is a proscribed term in politics, and it would be more correct to assume that in both cases we are dealing with a "psychological offensive" against the voters. One lot claims: "We are not as terrible as we are painted." The other lot insists: "They are even worse than they are painted."

"Painting" aside, what is the situation?

Any serious attempt to impartially forecast how [Gennadiy] Zyuganov's Communists would behave in the post-December Duma would be impossible without an analysis of the CPRF's program documents, the public declarations by its leaders, the actions of its factions in the present Duma, the Constitution's provisions, and — and this is probably the main point — the results and consequences of the elections in the event of victory by the leftists.

Words

The forthcoming triumph is emphatically associated with the overall success of left-wing forces at elections in East European countries. The reasons are explained in the process: The people are refusing to grant a mandate for power to the "democrats" and the party of Russian Communists has been fundamentally renewed. In other words: "There is such a party!" but a different one. "No, I am not a Stalin, I am different...with a Russian soul...."

Much has been said and written about the extent to which this party is "different." Restoration of the soviets, restoration of socialism, and restoration of the Soviet Union — these are the three cornerstones of the CPRF's program documents. Neither the emphasized leaning toward great-power and patriotic "ideology" nor the borrowed counterweight in the form of "concept of stable national development" shake these foundations, and they leave no doubt about the true nature of the "different" Communist Party and the essence of its aspirations: A comeback by communism and restoration of the "socialist system" with all its inherent "genotypes."

"The first thing that must be done is put an end to harmful reforms," Svetlana Goryacheva declares. The promise of counterreform is boosted by this leader,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

who is also a legal expert, with the incitement: **"All who have been in power, all who have disgraced themselves by cooperating with the regime, do not deserve any trust!"** and this is followed by the threat: A settlement of accounts **"will inevitably occur if the regime is changed...."**

On behalf of, and on instructions from [the party], Vladimir Semago requests that **"Yeltsin and his gang stand trial,"** reviving the Bolshevik vocabulary of the 1930's which is so deeply implanted in the country's memory.

A whole series of widely known figures included in the CPRF's electoral lists are making statements along similar lines, specifically identifying a list of "Yeltsin gang" members who are due for a "settlement of accounts" — fully in line with the manner and style used by orators in 1937.

"These tasks will be accomplished without fail, provided nobody sits on the fence.... We will be able to oust the anti-people regime only together, through mighty joint efforts" — the CPRF is once more borrowing the "syntax of combat and the vocabulary of batteries" from the inexhaustible arsenals of class struggle.

Against this background, Gennadiy Zyuganov's statements about **"legitimate methods," "reasonable technology for implementing the program," and "peaceful evolutionary implementation of reforms with due consideration for Russia's spiritual-national experience both prior to and since 1917"** take away all credibility from his statements about the CPRF which allegedly is **"against violent methods for the solution of problems."** It is precisely the "spiritual-national experience" in its bolshevik incarnation prior to and since 1917, so clearly evident in speeches and revelations by the leaders who are heirs of the RSDRP [Russian Social Democratic Workers Party]-VKP(b) [All-Union Communist Party (bolsheviks)]-CPSU, that leave no hope for any "peaceful evolutionary implementation of reforms."

Back in June 1994 the CPRF faction in the Duma distributed a proclamation calling on all **"patriotic and democratic forces to rally in legitimate struggle for a radical change of the Russian state's policy...."**

Deeds

Radicalism and inconsistency — the fundamental components of the Communists' behavior policy in the present Duma — still bring to mind the "general line" of the CPSU and its historical vacillations which played havoc with the destinies of countries and peoples.

Our memory is so brief that it cannot span more than just one day. It would not be amiss to recall that the angry invective by CPRF leaders against "the destroyers of the great power" do not at all square with the fact that the Communists in the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet voted in favor of the Belovezhskaya Forest agreements. Their criticism of contemporary Russian federalism does not square with their de facto support for the "sovereignty bandwagon." Their attempts to restrict presidential authority and oust Yeltsin do not square with their vote in favor of granting additional powers to the president. Their angry denunciations of the White House shoot-out do not square with the disbandment of the Commission To Investigate the Causes of the 1993 Tragedy which was effected on the Communists' initiative. Everything is done according to Lenin: Only an inconsistency dictated by "present-time considerations" can and must be consistent.

As for radicalism, the draft law **"On the Preservation of Historical and Cultural Facilities Perpetuating V.I. Lenin's Memory"** was promoted by them simultaneously with demands to abolish the Constitutional Court and denunciations of **"international treaties concluded by the incumbent president."** Numerous initiatives for a vote of no confidence in the government were coupled with actions to remove B. Yeltsin from office. The forcing of a vote on the draft law **"On Eliminating the Extremely Negative Political and Economic Consequences of the 1991 Belovezhskaya Forest Agreements"** with its crucial demand to rescind the RSFSR Supreme Soviet decree of 12 December 1991 **"On Denouncing the Treaty on the Formation of the USSR"** was coupled with attempts to modify Yeltsin's edict banning political activity at enterprises.

With a few exceptions, radicalism as an instrument and method for "shaking the foundations" is also typical of the activity of Duma structures controlled by the Communists: the committees for security (Chairman V. Ilyukhin) and for affairs of public associations and religious organizations (Chairman V. Zorkaltsev).

It was Ilyukhin's committee which, back in February 1994, initiated the adoption of the Law on Amnesty in its final version — with a provision for amnesty for members of the State Committee for the State of Emergency.

While elaborating the package of laws affecting the activity of special services and law enforcement organs, there was a common desire to give them powers and opportunities which they did not enjoy even during the years of Soviet power.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Thus, the draft law **"On Struggle Against Organized Crime"** allows law enforcement organs to invade citizens' homes without a prosecutor's sanction; [the law] **"On Struggle Against Corruption"** [allows them] to file corruption charges not just against workers in the economy's state sector or state functionaries. Openly making provisions in breach of human rights, all these laws manifest their authors' desire to prepare a legislative base for the conduct of large-scale repressions.

The Committee for Affairs of Public Associations and Religious Organizations devised and produced the draft law **"On Rallies, Processions, and Demonstrations"** which offers substantial advantages to major political associations. In other words, to the Communists. The draft law **"On Political Parties"** envisaged the creation of party cells at enterprises, granting the right of registration as political parties only to associations which comprise at least 500,000 members. In other words, it handed the enterprises over to the Communists.

The Credentials Commission (Chairman V. Sevastyanov) did not even bother to ask the Central Electoral Commission for its final election results and did not verify the correctness of the nomination and election of deputies. It must be assumed that this was done in order to enshrine the 1993 election results.

The Communists succeeded in taking control of the Committee for Legislation, a most important Duma structure. Thanks to the efforts by a trio consisting of Communists A. Lukyanov and O. Mironov, and Committee Chairman Agrarian V. Isakov, it produced a package of electoral laws giving advantage to the Communist Party. These selfsame people also initiated virtually all appeals to the Constitutional Court aimed at disputing the president's edicts — like the edict on privatization, for example.

The Communists often produce legislative initiatives as if done by individuals. The draft law **"On Emergency Measures for Extrication From the Socioeconomic Crisis and Prevention of National Catastrophe,"** for example, drafted by a group of Communist deputies headed by Igor Bratishchev, is highly indicative in this regard.

It lists everything that could be undertaken by the CPRF in the economic sphere in pursuit of counterreformation.

Abolition of "previously adopted legislative and other normative acts conflicting with this law."

Reprivatization, in other words revision "of laws, edicts, and other normative acts for the privatization of state and municipal enterprises, and termination of their further privatization on this basis."

Camouflage of the de facto nationalization of "destatization" on the basis of so-called self-managing people's enterprises to be created under the control of "sectoral and territorial organs of administration."

Just like in the past, the people are proclaimed to be the "supreme owner" of state and other property and on their behalf — again just like in the past — "their representative (organ of power) transfers ownership to the labor collective."

Something similar to the State Planning Committee will be created, and a two-year plan for "stabilization of the economy" will be introduced with appropriate provisions for regions, sectors, and enterprises.

State control will be instituted.

There are plans for currency reform and exchange of cash for "new rubles" (up to 10 million rubles [R] per person at 1 January 1995 prices).

Firm prices will be introduced for "basic price-forming products" and there will be "declared recommended all-Russia and regional domestic prices for the production" of virtually everything.

Censorship of the mass media and of cultural entertainment events will be reinstated in the form of "open public commissions consisting of cultural figures and representatives of the organs of power to appraise the compliance of printed, cinematographic, radio, and television material with ethical requirements."

This picture of the planned restoration of Communist-Soviet power is abundantly embellished with populist hints of ardent love for the people, concern for working people, young people, the elderly, and the needy, and promises to reduce prices and taxes and curb inflation and organized crime. Forward to the past, Russia! This is the call of the revamped slogans of the Stalin-Brezhnev era, without the slightest worry about their feasibility or even about the methods for their implementation.

Plans

According to the CPRF election platform, **"after the parliamentary elections the Communists will strive to form in the Federal Assembly a people's-patriotic majority which will aim to legislatively achieve...."** This is followed by traditionally ritual ideological precepts: return of Russian citizens' guaranteed socioeconomic rights, restoration of the right to all-people's ownership, abrogation of the Belovezhskaya Forest agreements, and so on.

In practical terms, this is couched as follows: **"Ensuring legislative base for socialist transformations,"**

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"granting law enforcement organs rights which would ensure their actions in compliance with the law," "nationalization of facilities whose privatization was flawed," "concentration of foreign currency operations in the state banks," "nationalization and confiscation of property...."

And who are to be judges? Leaving aside historical experience and the lessons of arbitrary rule as regards defining what is right and what is wrong in any sphere, be it "flaws in privatization" or "distortions of truth" in the media, let us note that "socialist" transformations will hit not only the powers that be. The new distribution of property will tangibly affect the interests and position of "the broad people's masses." This is because, according to data of the Russian Federation State Committee for Statistics, there were 118,000 privatized enterprises as at 1 September 1995. Some 40 million people have become shareholders. Approximately 50 million are employed by "private" business. Some 64 percent of last year's total GDP was produced by the nonstate sector, and its share will increase to 75 percent this year. The total volume of declared incorporation capital of the 2,570 registered commercial banks has reached R9.5 trillion. The CPRF's program proclamation "to return to the people that which has been plundered" by restoring "all-people's and collective ownership" — in other words a redistribution of property and revision of the results of privatization, rejection of private and market economy ownership, and curtailment of democratic freedoms — will inevitably lead to catastrophic statewide shocks.

According to experts' forecasts, the new Duma will attempt to freeze prices "with a view to protecting ordinary people." Prices of prime necessities to begin with. Consequently, the food and processing sectors will require subsidies whose amounts will be calculated in tens of trillions of rubles. This money will have to be found somewhere. The only source is the budget, which is certainly not infinite. Therefore, budget funds will have to be somehow redistributed — from the largest expenditure items. This will produce gaps which are likely to widen.

The consequences of another possible scheme — transition to Central Bank credits to fund the budget deficit — are also very simple and clear. In the short term, Russia will lose the sources for covering its deficit on the international financial market. Today this amounts to $750 million a month, or R3.5 trillion, which is equivalent to 15 percent of the budget's monthly expenditures. Whether you love or hate the IMF, whether you are a Russian patriot or a homeless cosmopolitan, the country will lose the funds to cover 15 percent of its expenses. The inevitable shortage of funds will bring about either a redistribution within the budget, in other words a withdrawal of funds, or the printing of new money. We then have the medium-term consequences. In a few months' time there will be an explosion of inflation and disaster as regards Russia's commitments to repay external debts owed to the Paris and London Clubs....

Possibilities

According to different and frequently diverging assessments, the Communists' "victory," "success," or "triumph" at the 17 December elections will be quantitatively expressed as 15-20 percent of Duma seats. Parliament's political course, however, will be determined not by these figures but by the overall distribution of forces and the behavior of "allies." What is emerging most clearly is a bloc of Communists and Agrarians provided, of course, the latter pass the 5-percent barrier. Should this happen, we may be talking about 25 percent. Nor can an alliance with the LDPR [Liberal Democratic Party of Russia] be ruled out. For the time being the liberal democrats are losing but, if they succeed in getting into parliament and forming a tiny faction, an alliance with the Communists might prove politically advantageous. And this is already giving the "people's-patriotic" coalition almost 30 percent of votes [in the Duma].

The biggest puzzle is posed by the Congress of Russian Communities [KRO]. Verbally, the triple-headed sphinx of the KRO appears to be decisively distancing itself from the CPRF, but in deed it is engaged in backstage contacts with Zyuganov's men. Thus, its slogan "Nobody but the KRO" can perfectly well be transformed into "Nobody but the KRO and the CPRF."

Let us recall another calculation. In order to adopt a draft law, the Duma needs 226 out of the 450 votes, in other words one-half of the total number of deputies, while the adoption of a federal constitutional law requires two-thirds of the votes. The 40 percent of "left-wing" and "patriotic" votes will be clearly insufficient for this purpose. Even if it does create the largest Duma faction, the CPRF will become not the most impressive Duma force but just one of the stronger players in the game of interests which stand behind each parliamentary faction.

What changes will this produce? Not much as regards Russia's state policy. The leftist-nationalist majority will make the new Duma resemble the present one, which adopted the decree on amnesty for participants in the 1993 events, mustered the requisite number of votes to remove Sergey Kovalev from the post of human rights commissioner, amended the law "On Military Duty and Military Service," and repeatedly adopted Zhirinovskiy's resolutions on foreign policy problems or laws amending the privatization procedures which

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

simply failed to come into force. Exactly the same will be done by the new Duma — to the extent to which this suits the president. As for the CPRF, it will play a leading role in the new Duma in shaking the executive.

Special attention will be given to attempts to revise the Constitution and curtail the president's powers. Last summer such attempts took the form of a draft law which was passed by acclamation by two-thirds of the Duma. But, in accordance with the Constitution, any draft law to amend it, once passed by the Duma, must be passed by the Federation Council by even greater "acclamation," in other words it must gain three-fourths of votes there, and finally it must by approved by at least two-thirds of legislative assemblies in Federation components. Something similar will also happen in the new Duma.

It is possible that, at one of its first sittings, the Communists will again raise the question of confidence in Chernomyrdin's cabinet. It is perfectly probable that the majority of deputies will refuse their confidence. Meanwhile, deprived of the power to dissolve the Duma, the president will be able to appoint Chernomyrdin acting prime minister. And submit his nomination for parliament's endorsement three months later. If this is refused, he can appoint him acting premier again. By then it will be time for the presidential elections.

The leftists will enjoy a period of euphoria for about two months after the new Duma starts its work, and then they will start in all earnest preparations for the impending presidential elections. There will be neither time nor energy to get involved in the protracted and painful process of revising constitutional laws. Nonetheless, the law on presidential elections might become one of the main targets of attack by the Communists. But the complex process of introducing amendments to a constitutional law and Yeltsin's potential to drag this process out until virtually the start of the presidential elections will prevent them from bringing this idea to fruition.

Theoretically the Communists and their allies do have a chance to pass any laws, but even so they will face three serious obstacles: the president, the Federation Council, and the Constitutional Court. Consequently, the CPRF's parliamentary work will boil down to declarations, exposures of the incumbent oligarchy, and speculations with national-patriotic topics. Essentially, lawmaking during this period will hardly be one of the CPRF faction's concerns. Because July 1996 will be the time for a real redistribution of power.

Meanwhile some other factors will be working against them in December 1995. In addition to the president, the Federation Council, and the Constitutional Court, there are also Russian federalism and the new regional elites whose power is really threatened by neobolshevism. A sizable proportion of the population (54 percent, according to estimates by the Vox Populi service) is unwilling to see a communist revival, while 62 percent believe that any return to the past is impossible. But whatever happens the CPRF's attempts to implement its program plans will encounter resistance. Any attempt at a comeback will provoke an explosion — primarily in the large cities. The restoration of socialism is also impossible for another reason — any practical move backwards is fraught with disaster and, judging by everything, the CPRF "pragmatists" are aware of this. In the event of victory at the elections they will start distancing themselves from their voters, from their orthodox party comrades, and from the other, most aggressive streams of Russian communism. There will be no chance to work out what lies over there, "Beyond the Horizon" [Za Gorizontom] (the title of G. Zyuganov's book); it will be clouded over by current and immediate problems, including internal problems of the "party of victorious socialism" itself, which will be destroyed from within by several incompatible streams.

It is a different matter that its victory at the December elections will create a certain psychological advantage just before 16 June 1996 and will give them a chance to present this success as some sort of "all-people's" mandate for the presidency and the ensuing transformations.

No matter what happens, there will be no quiet and delicate exercise of power in our country. This is not in the "genes" of Russian Communists and their comrades, or of their present "pink" competitors. For both of them the decisive question is to gain and retain power — also fully in line with Vladimir Ilich. The anticipated change of the form of the regime is an apple of discord (not to be confused with the "Yabloko" bloc [pun on the bloc's name which means "apple" in Russian]) which cannot be cracked by the teeth on a handful of voracious jaws. If they were to come to an agreement and share it in a friendly manner.... But this is still in the land of dreams.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

ITAR-TASS Carries Press Review for 5 Dec

LD0512073595 Moscow ITAR-TASS in English 0724 GMT 5 Dec 95

["Press Review" — ITAR-TASS headline]

MOSCOW December 5 (Itar-Tass) - IZVESTIYA on Russian Defence Minister's visit to Israel.

General of the Army Pavel Grachev, Russian Minister of Defence, "has made an unprecedented breakthrough in the history of military cooperation between Russia and Israel".

It is seen from the military cooperation framework agreement signed by Grachev and Israeli Prime Minister Shimon Peres that "Israel and Russia are interested in a joint sale of weapons to third countries," the newspaper concludes.

NEZAVISIMAYA GAZETA on Defence minister's visit and Russian-Israeli military cooperation.

"Over years of contacts between the two countries, such a widely- representative delegation of the Russian Defence Ministry has never visited Israel before."

The newspaper quotes Grachev as saying that "the documents signed are exclusively of military nature. They deal primarily with cooperation in the co-production of arms". "It is meant that Russian military hardware will be fitted out with Israeli-made electronics," the newspaper writes.

KRASNAYA ZVEZDA on Russian Defence Minister's call on Elbit company.

The newspaper reports that Pavel Grachev called on the Elbit company, which specialises in the production of electronic systems of military purpose. "One of the Company directors, Ariye Tahl, does not rule it out that the Elbit may become an effective partner to propel Russian military hardware to the external market," the newspaper points out.

Russian newspapers single out remarks by the Russian Defence Minister that his visit to Israel does not signify Russia's renunciation of support for Arab countries.

IZVESTIYA quotes Grachev as saying that "we want to cooperate with all countries in the region, not only with our traditional partners".

KRASNAYA ZVEZDA quotes the Defence Minister as saying "we continue to cooperate with our traditional partners, including Syria. At the same time, we look for new important partners and much attention in this respect is being devoted to Israel".

KOMSOMOLSKAYA PRAVDA expresses a different point of view on the Defence minister's visit to Israel.

The newspaper's opinion is that "to Tel Aviv, the Russian Defence Minister's visit has a political rather than military complexion." The newspaper points out that "the topic, which was the most important to the Israelis at the talks was Russia's sale of two nuclear reactors to Iran, not the signing of an agreement on military-technical cooperation with Russia."

In corroboration of its position, the newspaper writes: "We do not need Israeli weapons, and we lack money for them. We shall not be able to sell our armaments in Israel. This will be resisted by both the strong Israeli defence sector and Washington."

ROSSIYSKAYA GAZETA on the critique of the electoral law.

Aleksandr Postnikov, Candidate of Science (law), discusses what stands behind the critique of the electoral law. A propaganda campaign — launched recently in a demand for a revision of provisions that electoral associations that participate in the distribution of seats under the proportional system, should overcome the five-percent barrier — is not aimed at promoting representative democracy in Russia but is connected with the defence of the situation-determined interests of small political parties.

PRAVDA on the five-percent barrier issue.

State Duma Speaker Ivan Rybkin told the newspaper that the electoral five-percent barrier issue "will not be resolved in the Duma". Therefore, the Speaker believes, it can well happen that "the question of the illegitimacy of the elections may arise".

TRUD on social protection for people involved in nuclear tests on Novaya Zemlya.

The newspaper for the first time carries an article, headlined "Phantoms", about the officers of a secret battalion which was involved in nuclear detonations at the Novaya Zemlya test site.

"In 1958, the battalion was removed from the test site and disbanded. Following the promulgation of the Law on Social Protection for Citizens affected by the Chernobyl disaster as well as for people who served in special-risk units, several officers in question, who were still alive at that time, began to petition for the ensurance of 'social protection' for the battalion members.

"But secrecy surrounding the battalion was apparently so great that no mention of it has been found in any offical document up to now," the newspaper observes.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

New Chairman Praises Results of Assembly

*WS0512102195 Tallinn BNS in English
1852 GMT 4 Dec 95*

[FBIS Transcribed Text] Vilnius, Dec 4, BNS — The new chairman of the Baltic Assembly's [BA] presidium, deputy chairman of the Lithuanian parliament Egidijus Bickauskas, believes that the BA has achieved "a higher level."

Too much concern was expended earlier on the organization's facade and "thorny questions" were avoided, whereas at the most recent BA session in Tallinn, serious political discussions took place, Bickauskas said.

At the BA session a total of 14 documents were adopted.

Although there was no direct discussion of the Lithuanian-Latvian dispute over the delimitation of sea borders, a resolution adopted on solving disagreements between Baltic countries urged the Council of Baltic Ministers and the countries' administrations "to settle all remaining issues of determining borders and economic zones in the Baltic Sea, displaying the greatest possible good will and good neighborly harmony."

The new Latvian parliamentary delegation made a contradictory impression on Lithuanian representatives. Bickauskas noted that Ivars Kezbers, who for several years occupied a "high rank as an ideological official" of the Latvian communist party, had been appointed head of the Latvian delegation. Only two members of the Latvian delegation had working experience in the BA, Bickauskas said.

However both Bickauskas and Lithuanian parliamentary chancellor Neris Germanas, another member of the BA presidium, noted that the Latvian MPs were critical of how their country's administration had handled the sea border dispute with Lithuania.

Kezbers assured the Lithuanians that once a new administration has been formed, Latvia's position may change entirely and discussions can begin anew, Germanas said.

New committee chairmen were also appointed in Tallinn. Since Lithuania has assumed the chairmanship of the Assembly, Lithuanian parliamentarians will play a leading role in the committees.

The April BA session in Vilnius will be of significance in that the Assembly will meet together with parliamentarians from the Nordic countries. Several leading administrators of the Nordic countries will also be present for the April Assembly session.

Leaders of the Lithuanian delegation hope that the BA will truly become an interparliamentary organization during the April session in Vilnius, dealing only with essential political issues and leaving secondary questions to the committees and to the Council of Baltic Ministers.

Baltic Assembly Elects Chairman, Adopts Resolutions

*WS0512101395 Tallinn BNS in English
1433 GMT 4 Dec 95*

[FBIS Transcribed Text] Tallinn, Dec 2, BNS — The Baltic Assembly at it latest session which ended in Tallinn on Saturday [2 December] adopted 14 different resolutions and elected Lithuania's Egidijus Bickauskas as the new chairman of the presidium.

Lithuania took over rotating chairmanship of the interparliamentary assembly for the following six-month term.

Most important among the resolutions is a document on Baltic defense cooperation, which says the Baltic Council of Ministers should take additional measures to step up security and defense cooperation and make preparations for a Baltic defense treaty.

Also of great political weight is a document addressed to the Council of Europe, which says the council should demand Russia to openly denounce expansionist doctrines before it can become a full member.

The assembly adopted a resolution on the resolving of discords between the Baltic countries. The resolution calls on the Baltic Council of Ministers and the national governments of Estonia, Latvia and Lithuania to adopt decisions on matters regarding borders and economic zones in the Baltic Sea.

Other resolutions approved on Saturday dealt with the Baltic Assembly's cooperation with the Baltic Council of Ministers and the Assembly of the Western European Union, as well as with Benelux-Baltic cooperation.

The assembly adopted a resolution in favor of implementing the Via Baltica road link project and a resolution on plans for abolition of customs borders between the Baltic states.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

TRUD Notes Serbs' Wish for 'Fairer' Bosnia Deal

MM0512085695 Moscow TRUD in Russian 5 Dec 95 p 6

[Article by Viktor Borodich: "Has Dayton Mined Sarajevo?"]

[FBIS Translated Text] The Bosnian Serbs' leaders, who regard with alarm and skepticism the solution to Sarajevo's problems enshrined in the Dayton treaty, are insisting on a search for decisions that are fairer on themselves with regard to the Bosnian capital's territorial demarcation. Ratko Mladic, commander of the Serb Republic's troops, has publicly expressed his attitude to this problem for the first time. Addressing soldiers of the Drina Corps' recently formed new brigade in Vlasenica, the general declared that "Serbs cannot agree to the demarcation charts worked out in Dayton, under which their primordial lands are to go to the Muslim-Croat federation." Aleksa Buha, minister of foreign affairs of the Serb Republic, also regards it as "impossible in practice" to implement the plan to transfer the Serb part of Sarajevo entirely to the jurisdiction of the Muslim-Croat federation. Unless the international community finds at least a temporary solution for the Serb part of the capital, he believes, a humanitarian disaster will occur in connection with the exodus from Sarajevo of the 120,000-strong Serb population.

At the end of last week the Serbs received support from an unexpected quarter: French General Jean-Rene Bachelet, commander of the UN armed forces in Sarajevo, declared that the treaty concluded in Dayton leaves the Sarajevo Serbs a choice "between a coffin and a suitcase." The very next day after that statement the general was "carpeted" in Paris. While dissociating himself from his subordinate's statement, Charles Millon, head of the French military department, nonetheless pointed to the need to take "definite measures" to help preserve the equilibrium between the communities in the Bosnia-Herzegovina capital.

But U.S. Secretary of State Christopher rejects any possibility of altering the text of the Dayton agreement on a settlement in Bosnia. "I believe," he emphasized in an ABC-TV interview, "that the fact that the city of Sarajevo, which for so long was divided, will once again be united is an extremely important condition of this treaty."

Meanwhile, the implementation of the NATO plan to monitor the observance of peace in Bosnia is entering the stage which the military calls "base preparation." The first units will be stationed in the conflict zone within the next few days. Groupings with a total strength of 2,600 servicemen are being sent there. One will be stationed in the Tuzla region, and another will be located in Croatia. Each will comprise 700 U.S. soldiers. The purpose of this contingent is to prepare for the arrival of a 60,000-strong force, to deploy command centers, to prepare the communications systems, and to arrange for rear support.

According to General Shalikashvili, chairman of the U.S. Joint Chiefs of Staff, the troops will use force "if necessary." The attitude in the United States to the sending of soldiers to Bosnia remains complex. According to a poll conducted recently by ABC-TV, half of all Americans disapprove of the Clinton administration's policy in the former Yugoslavia.

Presidential Order Drafted Lifting Sanctions on FRY

LD0412181095 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 4 (INTERFAX) — The Russian presidential order lifting sanctions against the Federal Republic of Yugoslavia has been drafted. A highly placed official in the Russian Foreign Ministry official told INTERFAX Monday that the draft is being cleared with various agencies.

The official could not say when the draft will reach the president's desk. "In any case the document, to be signed by the head of state, will lift sanctions as of the moment an appropriate resolution is passed by the UN Security Council," he emphasized.

A general decision to lift sanctions against Belgrade and the embargo on supplies of weaponry to the former Yugoslavia was made by the UN Security Council at the end of November once a peace settlement for Bosnia was reached in Dayton, Ohio. Before Russian companies can comply with this decision, however, the Russian president has to cancel his decree of June 1992 that imposed sanctions against Yugoslavia following a UN resolution of that time.

The foreign ministry official did not rule out the possibility that Moscow will also comply with the second part of the Security Council resolution, staged lifting of the embargo on the sales of arms to the former Yugoslavia.

"If the countries of the region recognize one another and live in peace, why shouldn't Russia supply arms there? Those countries will certainly ask Russia for weaponry," he said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Paratroopers Train for Operations in Bosnia

LD0512075795 Moscow ITAR-TASS in English 0741 GMT 5 Dec 95

[By Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — A 1,500-strong contingent of Russian paratroopers to be sent to Bosnia as part of the multinational force has begun practical exercises today to prepare for the operation.

The press Centre of the Russian Airborne troops told ITAR-TASS that all the personnel would be interviewed and examined at paratrooper units stationed in Pskov and Kostroma between December 5-10 to establish of they conform to professional and health standards. The training exercises to coordinate the paratroopers' activities under combat conditions will begin immediately after.

Russian Defence Minister Pavel Grachev told journalists in Brussels on November 28 that in the first stage of operations for troops disengagement the Russian brigade numbering 1,500 will be deployed. The brigade will be stationed in the Posavina corridor — a zone of responsibility of a U.S. division. In the second stage, Russia will send another 1,000-strong contingent, if necessary, which will operate in accordance with a UN mandate. One of the Russian battalions will be stationed in Eastern Slavonia and operate jointly with a Belgian contingent under the UN auspices.

Grachev Says Military Ties With Israel Will Aid Peace

MM0512115795 Moscow TRUD in Russian 5 Dec 95 p 1

[Unattributed report: "Grachev Helps Kozyrev. Military Cooperation with Israel Strengthens Russia's Standing in the Near East"]

[FBIS Translated Text] The first visit to Israel by a Russian defense minister was completed yesterday by Pavel Grachev's meeting with Foreign Minister Ehud Baraq. On Sunday [3 December] he visited an air force base and a number of military industry enterprises and took a trip to the Golan Heights. However, according to statements by the Israeli generals who accompanied our minister, their assessments of the importance of the Golan Heights for Israel's defense produced no impression on Grachev, who had already been there earlier with the Syrian side.

Summing up the results of the Russian defense minister's four-day visit, local commentators single out the signing of the "Memorandum on Mutual Understanding on Questions of Military Cooperation Between Russia and Israel." This document provides for an exchange of military delegations and the development of military-technological cooperation in the sphere of developing and modernizing weapons.

At a meeting with journalists Sunday Pavel Grachev rejected as "false" press allegations that the memorandum speaks of reciprocal arms purchases. The present visit, in his words, had the goal only of laying the basis for developing contacts between the two countries' military departments and agreeing a program for the exchange of military delegations in the next two years.

Pavel Grachev stressed that Russia and Israel have no common military-strategic interests, and by strengthening cooperation with the Israelis Moscow is seeking to assist all states in the region to achieve a lasting peace. In addition, the simultaneous development of contracts with Israel and Russia's traditional Arab partners testifies to Moscow's pursuit of a balanced policy in the Near East, where, along with the United States, it is a sponsor of the peace process. In the opinion of Russian Federation Deputy Foreign Minister Viktor Posuvalyuk, the Russian president's special representative in the Near East, the accords reached between Russia and Israel during this first visit to the state by a Russian defense minister will help to increase Russia's presence and strengthen its role in the region.

Insists Arms Trade 'For the Future'

MM0512132095 Moscow KRASNAYA ZVEZDA in Russian 5 Dec 95 p 1

[Report by Aleksandr Golts: "We Are Seeking New Partners in the Near East"]

[FBIS Translated Text] The visit of Army General Pavel Grachev, Russian Federation defense minister, to Israel is continuing. If somebody had said recently that the Russian defense minister would be received with honor here he would have been considered abnormal. Lately both I and my colleagues have been hearing these words of amazement from foreign military personnel in the most diverse places on the planet, from Brussels to Kansas. This is evidence of the changes taking place in the world.

Today these same words were uttered by an Israeli lieutenant colonel while standing under a Russian flag. They were uttered when the Russian Federation defense minister arrived at the Ramat David Israeli Air Force Base. The Russian delegation was shown the main types of Israeli Air Force combat aircraft and helicopters and modern trainers used to train pilots.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Grachev noted the high proficiency and combat readiness of this country's Air Force. But pairs of F-16 fighters were flying off not on training flights but on combat patrols. Although the situation in the Near East has stabilized, it still remains difficult.

We all sensed this when we inspected the Golan Heights from Israeli territory. The hills, which are located at the junction of Israeli, Syrian, and Lebanese territory, have because of their extremely advantageous strategic position always been the epicenter of military clashes. The last fighting here was over 20 years ago. But to this day these heights are a bone of contention between Israel and Syria.

Having familiarized himself with the difficult situation in the region, Grachev deemed it necessary to stress: We continue to cooperate with our traditional partners, including Syria. At the same time we are seeking important new partners, and here great attention is being devoted to Israel. In the Russian defense minister's opinion our common strategic objective is to ensure that a durable, reliable peace is established in the Near East.

Grachev is perfectly well aware of the intense attention being paid to his visit in all the region's countries, and therefore he stressed that there are no secret agreements between Russia and Israel. Moscow is pursuing an open policy.

These explanations were necessary. Because there has already been speculation that he has had to refute. Specifically, there have been reports that Russia and Israel have already agreed to sell arms to each other.

Actually this is not a question for today, although we cannot fail to note that in the unusually difficult arms market our interests sometimes do coincide. It is no accident that the delegation includes representatives of the Russian Federation Committee for Defense Sectors of Industry. Evidently there was discussion of possible methods of military-technical cooperation during the visit of the Elbit [as transliterated] company, which specializes in producing electronic systems for military purposes. Arie Tal, one of its leaders, told journalists that Elbit had found its niche in the market by fitting aircraft, helicopters, and tanks produced decades ago with ultramodern electronics, thereby giving them a second lease of life. Specifically, Elbit is modernizing the MiG-21 in Romania, and Czech aircraft equipped with the electronics are successfully being purchased in Asia. Tal does not rule out the possibility that Elbit could become an effective partner for promoting Russian military equipment on foreign markets.

But let us note again that this is a matter for the future. For the time being our countries are taking just the first step in cooperating in such a complex and delicate sphere as the military sphere.

Defense Minister Grachev Interviewed on NATO Issues

LD0412132895 Moscow Russian Public Television First Channel Network in Russian 1900 GMT 3 Dec 95

[Interview with Russian Defense Minister Pavel Grachev in Brussels by correspondent Aleksandr Malikov — recorded; from the "Sunday" newscast]

[FBIS Translated Text] [Malikov] Pavel Sergeyevich, you have been received by NATO very warmly these past two days, more warmly than any other defense ministry representative as far as I can remember. What stage have our relations with NATO reached and is this developing partnership anything more than one of politeness?

[Grachev] Thank you for your question but I would like to say that probably it was not so much me who was welcomed, rather it was a representative of that mighty state called Russia. This was the essence of our meeting. NATO members, I feel — well, more than that — I am convinced, wish for closer cooperation with Russia on all aspects, including military ones. They see Russia on the whole as a reliable partner and will aim, I think, to create a deeper and broader relationship with us.

[Malikov] I am also under the impression that a more sober view has emerged in NATO and it is taking a different view on the prospects of NATO expansion.

[Grachev] The issue of NATO expansion: Of course it is undesirable. We are saying this now, I told them this during dinner and our official meeting that we will never agree to NATO expansion. Individual defense ministers are saying directly to me that first, it will not happen in the near future, and second, a mechanism has to be worked out for possible NATO expansion. Third, several defense ministers believe that the viability of partnership between Russia and NATO will show itself in the Bosnian conflict and if it is successful then we may possibly look at the issue of simply a wider partnership between Russia and NATO and other NATO countries.

[Malikov] Maybe even the prospect of Russia being accepted into NATO — or do they not want this yet?

[Grachev, laughs] To be honest, I asked the defense ministers that over dinner but for the time being they are keeping a polite silence on this issue. They are not ready to answer this question out of the blue. Russia's entry into NATO does not feature in the near future.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Malikov] Before your departure, our press reported that there have been differences between the foreign ministry and the defense ministry on the approach to settling the Bosnian conflict. What would you say on this?

[Grachev] I would like to say that there is no friction between us. Quite the opposite! The two ministers constantly inform each other, our specialists not only inform each other but also coordinate work on documents before we sign and present them to the president. We must both make our contribution to the state. At the meetings today, yesterday, and the day before yesterday, we could do this. Is that bad? Well, I think it is good, and is it important whether it was done by the defense ministry or the foreign ministry?

[Malikov] Incidentally, what documents did you sign after dinner?

[Grachev] During dinner, we signed documents on an additional agreement between the U.S. and Russian defence departments on bilateral cooperation in 1996. As the result of this close cooperation, many issues emerged on which we need to sign agreements. In light of this development in our relations, we mapped out an additional nine or 10 planned events.

[Malikov] Tell us about one of them.

[Grachev] Well, one of them is a joint Russian-American-West German command and control exercise involving troops and with the participation of countries in this exercise in May, the summer of 1996.

[Malikov] So you fly out to Israel from Belgium in good spirits.

[Grachev] At present, yes. I do not know what the reaction and evaluation will be. [video shows Grachev and correspondent seated at a table]

Foreign Minister Kozyrev Backs Solana for NATO

LD0512065395 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0500 GMT 5 Dec 95

[FBIS Translated Text] "I can think of hardly anyone who understands European politics better than Javier Solana," Russian Foreign Minister Andrey Kozyrev said in an interview to Moscow Echo radio station, commenting on Javier Solana's forthcoming official appointment to the post of NATO Secretary General.

"As Spanish foreign minister, Solana made a great personal contribution to Russian-Spanish relations; and given his warm attitude to Russia, I think he is a good choice," Andrey Kozyrev thinks. "This appointment should suit Russia."

Kozyrev Supports Cooperation To 'Influence' NATO

LD0512072995 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0510 GMT 5 Dec 95

[FBIS Translated Text] "The reality is that all countries cooperate with NATO today, but Russia has virtually remained in isolation. Everybody enjoys cooperation, but we do not; it is like throwing water at the wind, the result will be the same," Russian Foreign Minister Andrey Kozyrev said in an interview to Moscow Echo radio station.

"The point of view I maintain is that cooperation gives us the opportunity to defend our opinions on other issues as well, and gives us the opportunity to influence NATO's evolution, because by cooperating with us on a wide range of issues, NATO will itself change in some way," Andrey Kozyrev said.

According to Kozyrev, in Russia's upper echelons of power there are three points of view on the question of Russia's relations with NATO: cooperation, non-cooperation, and confrontation. At the present time, because of substantial differences of opinion between government departments, it is impossible to coordinate a program of cooperation with NATO, and therefore "it is a policy of non-cooperation that is in fact being conducted, the result even being that there is no policy in regard to NATO at all."

"I object to confrontation, other people object to cooperation, what remains is neither peace nor war," Kozyrev believes. In his view, sooner or later the president will have to step into the fray and arbitrate, and make a decision.

Number of NATO Aircraft Not Decreasing Near Boundries

LD0512135395 Moscow ITAR-TASS in English 1332 GMT 5 Nov 95

[By Anatoly Yurkin]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — The number of reconnaissance aircraft of the North Atlantic bloc registered near Russian aerial boundaries is not decreasing, it was noted by the general staff of the Russian air defence forces. Radar systems detected and tracked the flights of more than 900 air targets in the eleven months of 1995, ITAR-TASS learned from the press centre of the air defence forces.

All these reconnaissance aircraft made flights along the state border and were collecting information in the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

interests of their countries and the NATO military-political bloc, it was noted. Many routes are charted in such a way that large industrial and military facilities and communications lines are in the area of vision.

NATO structures do not alter their attitude to the collection of intelligence information, experts say. After the breakup of the Soviet Union and Russia's announcement of its doctrine that Russia has no adversaries and is not going to attack anyone, the number of missions flown by reconnaissance aircraft has not decreased and the routes of their flights have not changed. The task for radio-technical units became more complex as they experience an acute shortage of personnel and also have insufficient technical supply and social benefits.

Eastern Europe States Prefer NATO Arms to Russian

MM0412143695 Moscow KRASNAYA ZVEZDA in Russian 1 Dec 95 p 3

[Article by Yelena Surovtseva under the rubric "Military Review": "They May Be Old, But They're NATO's"]

[FBIS Translated Text] November 17 was the date by which the European states, including the former socialist countries, were due to destroy their surplus combat hardware and arms in accordance with the Treaty on Conventional Armed Forces in Europe (CFE). The quantity remaining (see table) [attached table shows numbers of combat aircraft, helicopters, tanks, armored vehicles, and artillery for each of Bulgaria, Hungary, Poland, Romania, the Czech Republic, and Slovakia] is quite sufficient to ensure defense capability. However, after completion of the reductions, the most urgent item on the agenda for the former Warsaw Pact countries is the question of the upgrading of existing arsenals.

It is no secret that their armed forces are equipped mainly with Soviet-made combat hardware. Its high tactical and technical specifications are recognized even today by experts, as well as by the leadership of many countries' armed forces. Thus, for instance, according to Romanian Minister of National Defense Gheorghe Tinca "the MiG-21 fighter is to this day one of the best military aircraft in the world from the viewpoint of aerodynamics." Hungarian Defense Minister Gyorgy Keleti has also stressed repeatedly that, in particular, "MiG-29 planes are very reliable and there are no grounds to doubt their quality and combat specifications." These fighting machines also cost considerably less than the analogous Western models.

So why is it that both Romania and Hungary, like many other former Warsaw Pact countries, are looking only to the West when it comes to questions of buying combat hardware? The answer is simple. After the breakup of the Warsaw Pact and the dramatic change of orientation in the former socialist countries, the question of technical upgrading of the armed forces ceased to be purely military and acquired a distinct ideological thrust. The Soviet military hardware which they have in their armories and which could remain in service for a long time to come, given modernization, proved to be incompatible with the corresponding equipment of the North Atlantic bloc, which our former "brothers in arms" are so keen to join. And one essential condition of joining the bloc is, as is well known, to go over to NATO's unified standards.

It is the aim of joining NATO that determines the present military-technical policy, not infrequently even at the cost of observing the principle of effective expenditure. After all, modernizing the existing combat hardware could result in great savings. In the Czech Republic, for instance, the Defense Ministry's strategic council is insisting on the modernization of MiG-21 fighters to incorporate modern Czech-made subassemblies in the design. Romanian Minister of National Defense Gheorghe Tinca is proposing a similar solution to the situation that has arisen. He is confident that "provided they are equipped with up-to-date electronics to ensure compatibility with NATO arms, Soviet-made fighters will be able to remain in service for another 10-15 years in Romania." Specialists calculate that the cost of modernizing one MiG-21, as a result of which its combat effectiveness is increased six- or eightfold, amounts to $1.5-3.5 million, which is approximately one-tenth of the cost of subsequent generations of MiG's.

However, this seemingly economically advantageous option for the technical upgrading of armed forces is again dominated by politics. The leaders of the majority of the former Warsaw Pact countries are in no hurry not only to modernize existing Soviet-made armaments, but also to buy new armaments from Russia, even those that it has begun to produce to NATO standards.

A successful and speedy switch to Western models of arms and combat hardware is seen in Central and East European capitals as a kind of opening into the alliance, or at least as a factor that could significantly increase the chances of admission to it. They try to carry out the transition process in several areas at once. One element in this is to switch their own enterprises over to the production of output based on North Atlantic alliance standards. An example is set here by the Czech Republic, which prior to the "velvet" revolution of 1989 used to supply first-class weapons to the states of the former Warsaw Pact. For instance, the weapons plant in the city of Uhersky Brod (South Moravia) has already begun series production of a new automatic weapon of a caliber fully in accordance with NATO standards. The

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

question of producing their own fighter planes is also being examined.

Switching the defense industry over to the production of military output according to new standards is, however, even in the best case, chiefly a matter for the future. The main obstacle on this path is the present lamentable condition of the defense industry in the majority of countries, combined with a shortage of funds for its modernization. Thus, for instance, Slovakia's military industry, which in former times was one of the leading producers of tanks and armored vehicles, is currently operating only to 8-10 percent of its capacity, while the corresponding figure in Romania is 5 percent. The situation is no better in other former Warsaw Pact countries.

In the situation that has taken shape our former allies have fixed their gaze on Western weapons markets. The Czech Republic, for instance, has declared its intention to acquire approximately 30 F-16 and F/A-18 fighters, while Poland is conducting talks with the United States for the purchase of 100 F-16 fighters. But are such wishes attainable?

A report published in Brussels not so long ago by the British-American council for security questions says that Poland, for instance, has the real funds to acquire only one F-16 fighter out of the planned 100. High-ranking representatives of the Czech Republic Defense Ministry admit that the budget of that country's military department does not allow them to expect to be able to purchase combat aircraft from NATO countries until the year 2005. Nor does the Bulgarian Army have the funds for this kind of rearming. And the state budget of the Slovak Republic will not be able to appropriate the 55 billion korunas required for total technical upgrading of the army in the coming years.

The same situation arises with the purchase of Swedish fighters for the Hungarian Air Force. In September of this year an agreement was signed on long-term cooperation, until the end of the century, between the Hungarian Republic and the Swedish firm SAAB AB. It is a question of scientific and economic cooperation amounting to more than a billion dollars. True, concrete results from this agreement are not expected soon, since the Hungarian Government intends to examine the question of the possible purchase of Swedish JAS 39 ("Gripen") combat aircraft only at the end of next year. In the opinion of military experts, it could be a question of SAAB AB supplying Budapest with 20-25 combat aircraft worth a total of $700 million, which will give the Hungarian Air Force the opportunity to get rid of its MiG-21's. However, if this deal comes off, it could not be paid for until after the year 2000.

In these conditions Western firms are taking the opportunity to attempt to push onto Eastern Europe, along with the most up-to-date systems of armaments and combat hardware, models that could hardly be called the last word in technology even by stretching a point. For instance, the American firm Bell has concluded a contract with Romania, worth $1 billion, for the production at the Brasov aircraft plant of 96 "Cobra" assault helicopters, which had quite a good reputation...20 years ago in the Vietnam War. But the customer, as the saying goes, is always right....

Finnish General 'Very Happy' With 'Gadfly' Missile Deal

MM0412164795 Moscow IZVESTIYA in Russian 2 Dec 95 p 3

[Report by Marat Zubko: "'Commodity-Debt-Commodity' Missiles"]

[FBIS Translated Text] Helsinki — "This Russian air defense missile system is very good. It is better than the U.S. counterpart, the Patriot system. So we are very happy with the deal," General Gustav Haegglund, commander in chief of the Finnish Ground Forces, told your correspondent.

The Finnish and Russian sides have reached agreement on our country's supply of BUK M1 air defense missile systems (known in the West as "Gadfly") to Finland in partial settlement of Russia's debt.

Strictly speaking this is not Russia's debt — it is the debt that it inherited from the former USSR — but Russia has to pay it. It is a substantial sum — 4 billion Finnish marks (around $1 billion). Our neighbors agreed that Russia will supply Finland with modern armaments worth 1 billion marks.

The Finns took a long time making up their minds. Now they have opted for the BUK M1.

General designer Yevgeniy Pigin noted that this is an intermediate-range surface-to-air air defense missile system. Its distinguishing features are its high level of effectiveness in combat against the very latest air attack systems and its ability to perform more complicated tasks than equivalent installations.

Finnish Colonel Ahti Lappi described the "Gadfly" as the most modern missile system in the world.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

UN To Help Free Russian Pilots Held in Afghanistan

LD0412183595 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 4 (INTERFAX) — Moscow has directly involved the United Nations in freeing seven Russian pilots captured by the Afghan opposition movement Taleban four months ago, a senior Russian diplomat told INTERFAX Monday.

Russia introduced a provision on the immediate release of the Russian crew in a draft resolution by the U.N. General Assembly. "The draft document will be voted on in the near future," the diplomat added.

Russia informed Taleban of its intention to meet their leaders to inform them of the results of working through their lists of missing Afghan citizens. "We are waiting for the opposition movement's leadership to set a date for the talks," he said.

Taleban conditioned the release of the Russian pilots to clarification of the fate of those listed.

Estonia's Handling of Troop Withdrawal Causes 'Concern'

LD0412191695 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 4 (INTERFAX) — Moscow regards as "very destructive" the Estonian parliament's decision to discuss separately the agreements with Russia on the withdrawal of troops and on social guarantees to military pensioners, a Russian Foreign Ministry official has said.

Aleksandr Udaltsov, chief of the Foreign Ministry's Second European department, recalled that those agreements were part of one package. They were signed by President Boris Yeltsin and President Lennart Meri on July 26, 1994.

"Under international law these actions by the Estonian law-makers can be regarded as unfriendly, with all the resulting consequences," Udaltsov said.

He said that decisions the Estonian MPs would make would concern not just the 20,000 Russian military pensioners and members of their families, but bilateral relations in general.

Udaltsov, who has just returned from Vienna, where he attended a session of the OSCE [Organization for Security and Cooperation in Europe] Permanent Council pointed to the council's decision to extend the mandate of its mission in Estonia until June 30 1996.

"This is evidence that the world in general understands Moscow's concern about the position of ethnic Russians in Estonia," Udaltsov said.

"According to the OSCE mission in Estonia, of the 14,500 military pensioners in Estonia a mere three persons have been given residence permits," Udaltsov said.

Chief of Navy Seen 'Surrendering' Black Sea Fleet

LD0512114495 Moscow INTERFAX in English 1118 GMT 5 Dec 95

[FBIS Transcribed Text] SEVASTOPOL, Dec 5 (INTERFAX) — The Russian Chief of Navy Staff is trying to carry out the program of reducing the navy by surrendering the entire Black Sea Fleet to Ukraine, a representative of the Black Sea Fleet Staff who wished to remain unnamed told INTERFAX.

Media reports about the surrender of the fleet's facilities are inspired by the Chief of Staff with the purpose of sowing uncertainty in the future among the fleet personnel, disorganizing the fleet and later presenting it as an ineffective organization which must be eliminated, he believes.

The fleet representative said nobody in Sevastopol is familiar with any schedules or documents concerning the fleet.

"We only know that we will be surrendered and the Black Sea Fleet locked up in one base in Sevastopol will no longer be a fleet because such things do not exist in world practice. This will not make Ukraine stronger, while Russia will certainly become weaker," the fleet representative said.

Meanwhile, a spokesman for the Chief of Navy Staff commenting on the claims said "the process of practically forming the Russian Black Sea Fleet and the Ukrainian Navy on the basis of the USSR Black Sea Fleet has begun". He stressed a number of facilities which Russia is not planning to use will be surrendered to Ukraine.

The fleet is keeping up its prescribed combat capability and remains a reliable guarantor of the security of the southern sea borders of Russia, the official said.

By the beginning of 1996, the Russian Black Sea Fleet will consist of the base in Sevastopol and two airfields — in Kacha, 30 kilometers outside of Sevastopol, and Gvardeiskoye, near Simferopol, unofficial sources say.

Besides, Russia will keep a testing center, a ship repair plant and a group of support ships.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The personnel should be halved to 35,000 men by June 1, 1996.

In Soviet times, Black Sea Fleet bases were located in Ukraine, Russia and Georgia along the entire coastline. After the collapse of the USSR under President Zviad Gamsakhurdia Georgia shut down the bases in its territory.

In 1995, bases in Nikolayev, Ochakovo and Izmail were surrendered to Ukraine.

So far the key facilities of the fleet have been Sevastopol, main base; Donuzlav, reserve command post; Feodosia, test center; and Kerch, arsenal.

WTO Sent Memo on Protection of Intellectual Property

LD0412191595 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 4 (INTERFAX) — Russia has submitted a memorandum on protection of intellectual property rights to the working group on Russia joining the World Trade Organization [WTO] meeting in Geneva, an official in the Ministry for Foreign Economic Links told INTERFAX Monday.

The Russian delegation at the meeting, which started Monday and will end Wednesday, is headed by Georgiy Gabuniya, deputy minister for foreign economic links.

Deputy Prime Minister Oleg Davydov, who is supervising the talks, told INTERFAX before the Geneva meeting that he does not expect unsurmountable difficulties for Moscow in commission discussions.

The toughest possible steps have been taken in Russia to fight audio and video piracy and all state agencies are involved in fighting it, Davydov said.

Russia is a signatory of the Paris Convention on Protection of Industrial Property, the Bern Convention on Protection of Works of Literature and Art and the Geneva convention on protection of sound records, Davydov emphasized.

As well as the memorandum, the working group will discuss trade in services in Russia and Russia's investment policy, the ministry official said.

Davydov believes that talks on Russian joining the WTO are proceeding smoothly.

Effect of EU Antidumping Legislation Viewed

MM0412143295 Moscow RABOCHAYA TRIBUNA in Russian 1 Dec 95 p 6

[Article by Eduard Borovikov, representative of the Russian permanent mission to the EU: "Unwelcome Guests at European Market"]

[FBIS Translated Text] Only two years ago the agreement on partnership and cooperation between Russia and the EU was compared with the fall of the Berlin Wall. But in contrast to the Berlin Wall this wall on Russia's path into Europe has remained. The EU is continuing its antidumping policy with regard to Russia.

The obstacles artificially erected on the path to partnership are considered by a leading specialist in the sphere of economic relations with the EU, Eduard Borovikov, representative of the Russian permanent mission to the EU.

Today it is perfectly obvious that the EU's antidumping measures against Russia are becoming a very acute political and economic problem. The steady rise in their number (there are 14 right now) is leading to Russia losing large currency funds, is having an adverse effect on the establishment of long-term and stable economic relations and is intensifying dangerous trends in the raw-material orientation of Russian exports. According to Russian experts' calculations the damage is about $200 million a year.

When compared with the total volume of Russian Federation and EU exports the figure seems small at first glance — slightly over 1 percent. But now 80 percent of Russian exports to the EU are energy carriers and raw material which are not subject to import duty. So all antidumping measures affect Russian manufactured goods whose proportion, according to European Commission assessments, is no more than 10 percent.

The antidumping problem existed in the days of the Soviet Union. But it started to become particularly aggravated in 1992-1993 when the Russian producers' European competitors found it easy enough to instigate antidumping procedures against deliveries of Russian goods to the EU market.

Nowadays conditions in Russia have totally changed. But our exporters have not become less vulnerable to the EU antidumping policy. Alas, the EU's antidumping strategy remains discriminatory and aimed at preventing Russian producers from entering the European market or driving them from it. In EU trade policy legislation Russia is still treated as a country with a nonmarket economy together with other states that are republics

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of the former USSR except for the three Baltic states and also with countries like North Korea, Mongolia, Vietnam, China, and Albania.

This "nonmarket" status for Russia enables the EU to use special restrictive rules of trade policy. Incidentally, an even harsher approach is practiced with regard to "nonmarket" Russia by the United States. The "concessions" made by the West in the form of acknowledging Russia's status as a country with a transitional economy in fact change nothing since EU and U.S. legislation does not contain any special "intermediate" provisions for this category of state. The legalization of the "transitional" status is hardly possible in practice. And the benefit for us is dubious.

Russia's "nonmarket" status gives the EU broad scope for maneuvering when carrying out antidumping investigations with regard to Russian goods and essentially predetermines the adoption of wide-ranging prohibitive measures. For instance to determine the so-called normal price for a commodity coming from a "nonmarket" country producers from some third country with a market economy or actual EU producers are chosen, often precisely those who have complained of Russian exports. The comparison between this "normal" price and Russian prices automatically leads to proof of dumping. And the competitive advantages of Russian producers (advanced technology, scales of production) and their natural advantages (access to a raw material base, proximity of the production facility to ports and consumers) are deliberately ignored.

Moreover, the EU antidumping legislation provisions make it possible to strike not only against individual companies guilty of trading at dumping prices but also against all exporters and a country's entire production. As a result there is dual discrimination: While calculating the normal price on the basis of the prices of the producers in a third country deprives Russian companies of their competitiveness compared with EU companies, the adoption of antidumping measures that are standard for all Russian producers reduces to nothing the Russian companies' specific advantages in relations between each other. The indirect effect of the approach practiced by the EU is also dangerous: Russian enterprises are deprived of incentives for cooperating with the European Commission during the investigation (and thus harm themselves even more) and their desire to increase the effectiveness of production geared for export is artificially suppressed.

One can debate for a long time about the maturity of market relations in Russia and the justification of calculating the normal price of Russian exports according to the figures of third countries. But that producers with different forms of ownership and different degrees of efficiency including enterprises with 100 percent foreign capital are treated as one "producer state" is absolutely absurd.

European Commission experts constantly stress that the problem of Russia's "nonmarket" status is of an exclusively economic nature. But to this day they have not given a clear answer as to the economic criteria for determining whether a country is on the list of states with a market economy and with which criteria exactly Russia still does not comply. And this stance of the EU gives serious grounds for suspecting that the question of the Russian economy's status is primarily of a political nature.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Political Issues

Yeltsin Receives Ilyushin; To Meet Chernomyrdin

LD0512112395 Moscow INTERFAX in English 1031 GMT 5 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Russian President Boris Yeltsin received his top advisor Viktor Ilyushin at the Barvikha sanatorium Tuesday [5 December], Yeltsin's Press Secretary Sergey Medvedev told INTERFAX.

He confirmed that on the same day Yeltsin is to meet with Prime Minister Viktor Chernomyrdin. He said the talks would concentrate on the election campaign, the situation in Chechnya and economic issues.

Diplomatic sources do not rule out that Yeltsin and Chernomyrdin will also discuss the implementation of the Dayton agreements on peaceful settlement in Bosnia.

They said Chernomyrdin is likely to represent Russia during the signing of the agreements in Paris.

Yeltsin Submits Accord on Partnership With EC to Duma

LD0412153395 Moscow ITAR-TASS in English 1425 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW December 4 (ITAR-TASS) — Russian President Boris Yeltsin submitted to the State Duma for ratification the Agreement on partnership and cooperation establishing partnership between the Russian Federation, on the one hand, and the European Communities and their member states, on the other, signed at Corfu on June 24, 1994.

The message which the Russian president addressed to the speaker of the State Duma says the agreement was signed in order to ensure favourable conditions for the development of equal partnership of the Russian Federation and the European Communities and creates a legal basis for a regular political dialogue and for Russia's integration into the unified European economic zone.

Yeltsin is of the opinion that the Agreement meets Russia's interests and makes it possible to implement in relations with the European Communities stage-by-stage, with taking into account Russia's national interests and along with the implementation of the reform, the principles of free traffic of goods, capital, services and the principles of establishing companies and their activities. This is said in a report of the presidential press service relayed to ITAR-TASS.

Filatov Briefs Yeltsin on Vologda 'Grain Affair'

MM0412163295 Moscow IZVESTIYA in Russian 2 Dec 95 p 1

[Report by Vasiliy Kononenko: "President Told About Results of Check Into Vologda 'Grain Affair'"]

[FBIS Translated Text] On 30 November Chief of Presidential Staff S. Filatov presented his regular report to the president. On his return he told journalists that current problems had been examined during the meeting; in particular, S. Filatov said, "General Prosecutor Skuratov and I handed the president a letter on the results of the investigation into the so-called 'grain affair' in Vologda Oblast."

The check was conducted by representatives of the General Prosecutor's Office and the Audit Administration and representatives of the Presidential Staff. The conclusions drawn in this letter, S. Filatov continued, essentially convey that this story shows instances of the misuse of state funds allocated to Vologda Oblast for the purchase of grain. In the chief of staff's words, the local administration had two accounts to which the credits were transferred, when such actions are prohibited by presidential edict. It was also established that the oblast leadership investment 'exploited' this money before using it for its specified purpose. The original value of the credit — 21 billion rubles — was thus substantially increased. The law was also broken when these funds were being distributed.

When journalists asked S. Filatov whether he regards "exploiting" state funds as legal, his answer was categorical: "Of course it's illegal." But, he continued, we don't yet know how the head of the Vologda Administration can be punished. There are no grounds for instituting criminal proceedings — no mercenary motives in his actions have been uncovered and the money was used for the oblast's needs. But it is obvious that there must be an appropriate reaction from the center to this kind of practice. The first thing we will do is send the results of the investigation to the government so that corresponding measures can be taken there, S. Filatov stressed.

Gorbachev Discusses Elections, Presidential Candidacy

BR0412155995 Rome LA REPUBBLICA in Italian 3 Dec 95 p 7

[Interview with former Soviet President Mikhail Gorbachev by Fiammetta Cucurnia, Enrico Franceschini in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Moscow; date not given: "Gorbachev's Return" — first paragraph is LA REPUBBLICA introduction]

[FBIS Translated Text] Moscow — That which until yesterday seemed impossible is now becoming likely: Gorbachev is ready to reenter the arena, to challenge Yeltsin in the 1996 presidential elections. Back from a series of visits around Russia, the former Soviet president has realized that he no longer a hero only abroad, but that he inspires excitement and support at home, too. In his office at the foundation that carries his name, he told LA REPUBBLICA in this interview why he wants to return to politics and how he views Russia's future, as the tide of communism is rises again throughout the East.

[LA REPUBBLICA] Mikhail Sergeyevich, have you at last made up your mind to run?

[Gorbachev] My latest visits prompt me to make a positive decision, but it is not yet a final decision. I have just been to Chuvasha, where, despite the Kremlin's pressures for local leaders to ignore me, I was received with full honors. I had meetings in factories and schools and observed a high level of curiosity and interest. And everywhere everyone is asking me: Why do you not run?

[LA REPUBBLICA] What is your reply?

[Gorbachev] I reply that I am not someone who needs to return to power on order to remain in the driving seat for a while longer. I realize that Russia's situation is very complicated; there are no easy solutions.

[LA REPUBBLICA] Do you think that your candidacy would make it more difficult for the government to cancel the elections?

[Gorbachev] Possibly easier. The government is following my every step. I know, from various channels, that I am under surveillance in whatever I do. I am always being monitored, even now as I am speaking with you.

[LA REPUBBLICA] Have you already considered from which parties to seek support in order to gather the million signatures needed to run as a candidate?

[Gorbachev] If I do run as a candidate, I will do so as an independent. Without the support of any parties.

[LA REPUBBLICA] What about the signatures?

[Gorbachev] Many citizens are offering me their help. I could opt for this solution.

[LA REPUBBLICA] What are you expecting from the 17 December parliamentary elections?

[Gorbachev] Everyone asks me, who shall I vote for. I reply, do not allow yourselves to be deceived by demagoguery; form your assessments on the basis of the facts. Then they ask me, who will you vote for? I prefer the center parties, such as that of the oculist, Fedorov, or the economist, Yavlinskiy, or the social democrats. In other words, the parties of the center-Left. And I do not tire of repeating that everyone must vote because if the only ones to vote are people of a certain age, those whose lives are most difficult, then the revanchists and extremists will win. I understand them, of course; I am not criticizing them: They are people who lead very tough lives, and their choice is understandable. But it is necessary for the others to vote — middle-aged people, people in their forties, who in fact constitute the mass of the population. I always say, you cannot argue that politics is a dirty business, so I wash my hands of it. Go and vote and create a new politics. This is the most important thing. The second is that it is necessary to vote for those identified with the idea of change, positive change, democratic transformation. This, because I cannot urge people to vote for Prime Minister Chernomyrdin's party or for those who want to make the country regress.

[LA REPUBBLICA] What about the communists, the favorites in the opinion polls?

[Gorbachev] A large sector of the party is very reactionary. Zyuganov, the leader, seems to me more realistic. Even though he does not say so openly, for fear of losing votes, his program is a social democratic one.

[LA REPUBBLICA] Are they no longer the same communists as four or five years ago?

[Gorbachev] No, they are not the same. But what they say is one thing, and what they will do is quite another matter. And if you read their program carefully, there are some worrying points in it. Zyuganov meets with military leaders and says one thing, then goes to Siberia ands says another, and he presents himself to the American Chamber of Commerce as a trustworthy partner. Be that as it may, I think that he is aware of the real situation. But if necessary, it is possible to get rid of Zyuganov, just as they wanted to get rid of me.

[LA REPUBBLICA] Does a potential communist victory represent a threat to Russia?

[Gorbachev] If the communists gain 28-30 percent, then manage to secure two-thirds of parliament together with their allies, I do not think that they will prove so stupid as to opt for a policy that will make the country regress radically. If they were to do so, they would be placing themselves in jeopardy. It is more likely that negotiations with the Kremlin will begin. I know that contacts are already under way. The president would do his utmost to retain in power, though I do not understand

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

what he would do with it, in view of the fact that he is unable to use it; but the fact is that he is afraid of losing it, and the members of his entourage are even more afraid than he is. For everyone the real objective is the June 1996 presidential elections.

[LA REPUBBLICA] But what would happen in Russia if a communist or General Lebed were to win the presidential elections?

[Gorbachev] Whoever wins, Lebed, too, will be forced to take account of the real situation, of how the country has changed over the years. Lebed once said that he liked Pinochet, but he cannot pursue that path: It would require such a level of violence, such an extreme dictatorship, that Russia itself could fall apart. I think that everyone realizes this. Furthermore, the world would not accept it, and the CIS, which is just beginning to breathe, would dissolve, because nobody would accept such a policy on Russia's part.

[LA REPUBBLICA] So will nothing tragic happen, whoever wins?

[Gorbachev] I think that the most important thing is that the election be held. Now we have a general election, then there are two scenarios: Either the government seeks an agreement with those who control the new parliament, or the presidential elections are postponed.

[LA REPUBBLICA] But why do people vote for the communists?

[Gorbachev] They do not so out of nostalgia or because they want a return of the Politburo. The fact is that people remember that during that era there was some kind of social justice and order; education worked; there were hospitals where it was possible to receive treatment; and even though living standards were low, they guaranteed the things that people consider indispensable. And since they have been deprived of all this, now they think that only communism can give them back those things. And the communists exploit these feelings.

[LA REPUBBLICA] So is there a great difference between the Russian Communist Party and the communists that have regained power in Eastern Europe?

[Gorbachev] Yes, there is a huge difference. The Russian Communist Party is not homogeneous; there is a wing that is very close to social democracy, and an extremist, revanchist wing. The former communists of the East are genuine social democrats. The mistake committed by the democratic forces that led the process of reforms in Eastern Europe was to have imposed excessively high social costs, which the population found intolerable. And now people are demanding leaders who will take account of social requirements. In those countries there is not a return to, or an idealization of, communism. It is a normal reaction on people's part.

[LA REPUBBLICA] Does the West also bear some responsibility for the return of the former communists in the East?

[Gorbachev] I think that it was a mistake for the West to impose its own recipes, without taking account of the specifics of each country. To impose an IMF formula, exerting economic and all other kinds of pressure for its acceptance, was mistaken and unproductive because each country must find its own path, in accordance with its own strength and capabilities. The IMF recipe is designed for countries with an economy that is already formed to a greater or lesser extent, in which production is proceeding, but together with rising inflation or other imbalances. In the East it was necessary to pass from one system to the other, and this is a much more complicated transition. I can understand the IMF's being indifferent, but I cannot understand the leaders who agree to take this path. In Russia, for instance, Gaydar ultimately adopted Mao's philosophy. When Mao was asked for his opinion regarding a nuclear war that would eliminate half a billion Chinese, he replied: Well, there are almost a billion of us; that would leave 400,000. That is what Gaydar did with his economic reforms: Well, yes, of course, he said, we will have millions of unemployed, thousands and thousands of bankruptcies, the people will starve, but what can we do about it?

[LA REPUBBLICA] What does the recovery of the Left in the East mean for the Left in Western Europe?

[Gorbachev] It means that those who buried the Left were mistaken. This, because people want a decent life, aspire to justice, and solidarity. This is why when someone asked me if I feel more like Havel or Jesus Christ, I replied: Of course I feel closer to Christ because Christianity signifies human solidarity, justice, and compassion. But let it be quite clear that I am not Jesus Christ partly because I have not yet been crucified.

Daily Ridicules Plethora of Presidential Candidates

MM0412163895 Moscow IZVESTIYA in Russian 2 Dec 95 pp 1,2

[Report by Albert Plutnik: "Self-Nomination for Presidency Becoming Mass Movement"]

[FBIS Translated Text] No sooner had the president left his hospital bed than Vladimir Komchatov, the president's official representative in Moscow, speaking at a meeting in Moscow, announced Boris Yeltsin's official nomination as a contender for a second term as president. You will remember that the determined Komchatov had been working hard on that question

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

for quite a long time and had created an action group consisting of representatives of the public. Thus his consistent efforts have now produced their logical outcome. This is despite the fact that neither then nor now has the president himself said anything definite about whether he intends to run for a second term.

Perhaps the aim of the grass-roots initiative (and in my view it should have been organized by a more neutral figure to make it more convincing) is to sway Boris Yeltsin toward making a positive decision. After all, one would not like to think that the deliberately vague vacillation over the question which has occupied a great many minds is being carefully maintained until the very last moment as a "measure of influence" to intimidate rivals. To make them think once again before they involve themselves in the trials and tribulations of the election campaign that all their efforts might soon come to naught if the incumbent president enters the election arena.

Furthermore, those who harbor such thoughts should bear in mind that no one is guaranteed election today even with victories more impressive than today's on all fronts, including the economic front and the Chechen front, and the challengers are no longer the same — there is no way that anyone can intimidate them.

I personally at least am frightened by the fearlessness that many of them shown in connection with the campaign now underway for the nomination of Russian presidential candidates. It seems that the Central Electoral Commission has cut short the interesting initiative of Vladimir Voronin, who had the firm intention of offering himself to the Russian people as a contender for the supreme post in our state (displaying an excessive sensitivity [chuvstvennost] in the unplanned confrontation with the president meanwhile). It was said that the contender had not completed the relevant documents properly even though, were one to go beyond such an authoritative organization as the Central Electoral Commission, there was a no less weighty factor no less convincingly militating against Mr. Voronin already existing.

The point is that it would be no bad thing if the voters were given a somewhat more detailed picture of the prospective people's leader than that provided by the official details published at the moment of registration. And it should certainly be done long before he reveals his quite serious intentions to run for the top position in our state and political hierarchy. It would be no bad thing if the individual in question were well known to the voters at that moment not just from his mugshot. Preferably from his good side. So that the name of the contender means a lot not just to his family and friends, nor even only to the very broad but at the same time very limited range of duped investors of the Tibet [bankrupt pyramid-sales] company with which the failed contender had direct links. At his first meeting with the voters I would really like to ask what has prompted him to the conclusion that Russia needs him as its president above all others. Perhaps he has grown bored of squandering his talents on trivial matters? Or had he suddenly heard the clarion call of intuition? Or was it simply that his friends had advised him to do this?

Not a day passes without someone enlightening us on how complex and multilayered are the problems which have overwhelmed the country today. And we ourselves look around and see the "horizons which have opened up." It means hard work. Such strength, including intellectual strength, is needed at the top. Meanwhile, following the announcement of the presidential election day we will learn virtually every day the names of an ever increasing number of contenders for the office of head of state, the "guarantor of the Constitution and of human and civil rights and freedoms" who has the legitimate right to determine the main areas of Russian domestic and foreign policy. In other words, the post where you have to cut the Gordian knot and clear out the Augean stables — the daily routine of working life where there are so many things to do, such duties, and such responsibility that hardly anyone wants to shoulder that particular burden. Especially since everyone, including Russia's first lady, was informed long ago how much the presidential "crown" is. But unfortunately the paradox is that the number of people keen to try it on is not diminishing but increasing. Perhaps they even want to keep it on for two successive terms.

The pensioner Voronin, presumably, was not entirely aware of the kind of job that he was hoping to get. In any event I have no information to suggest that he has ever held any really important posts or that he has ever distinguished himself very much in big-time politics where he would have received the necessary skills and experience. But there are other contenders, for example, the movie maker Stanislav Govorukhin, who has been rotating in the political orbit for a number of years now — he is a creative individual, an artist after all.... So what he has not experienced in practice he can always imagine... And as for such political old-timers as Vladimir Zhirinovskiy and Ramazan Abdulatipov — they surely know what they are letting themselves in for. Nevertheless, they are still going in for it. Of course their first thoughts are not for themselves. But should they not limber up beforehand by leading a "guberniya," for example, or rather component of the federation, or at the very least an industrial sector, just to get the feel

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of the reins of power in their hands.... But it seems that nothing can make them turn away from their chosen path — straight to the presidency with no stops along the way.

Vladimir Zhirinovskiy is gambling a second time and perhaps it will not be the last.

Meanwhile, the candidates who have made up their minds are as a rule the leaders of the blocs that are listed among those 43 blocs which want a place in the parliamentary sun which is due to rise on 17 December. If you bear in mind our political mores, it is not hard to predict that few of the movements taking part in one election campaign want to eliminate themselves from participation in the second and that none of the blocs listed on the mammoth ballot paper will resist the temptation to put forward a contender for the presidential chair exclusively from among their own people. This means that a mass movement of presidential contenders is in store. It will be a kind of mass demonstration.

It could well be that once again we will stun the civilized world by our inimitable innovativeness and I would say sophisticated ability to parody and reduce to absurdity even the most worthy ideas that we have taken on board, in this instance, democracy itself. Just as there is a line beyond which elections, for example, become guesswork. When people decide which out of three or four contenders to vote for, that is an election, but when they have to pick from among 40-50 it becomes pure guesswork. And when the election ballot paper swells up to the size of a small book with pretensions almost to being "the book of fate," [biblical reference to book which lists those who are to inherit eternal life] then "whether we like it or not," as they saying goes, we have to place our fate in the hands of chance because every form of logic has its limits.

Meanwhile, considerable forces of contenders who have not yet openly declared themselves are lying in wait. For example, Vladimir Shumeyko, whose remarkable ideas have already moved and amused both the people's elected representatives and the people themselves, is continuing gradually to clear a path for himself to the supreme power but at the same time continues unshakably to hold to the view that he is a politician with enormous potential. I am afraid that the electorate of those who are prepared to share the speaker of the lower house's [as published; Shumeyko is in fact speaker of the upper house] enviable opinion of himself is not broad enough.

Admittedly, I cannot vouch for anything here. The traditions of the past have too strong an influence over us. "Our party," you will remember, was not actually expected to be the wisest and greatest — many people in our country did not doubt that and still do not doubt it today. The notions of the ultimate level of power have long been formed separately from the real results of its activity. If you believe the information that has been disseminated, that ultimate level of power was formed entirely of outstanding figures, meanwhile the country, which was very rich in terms of natural resources but had the living standard of an underdeveloped state, survived by mercilessly squandering those resources and remains true to the "traditions of its forefathers" in this regard today, too. It is also true to something else: Today we often judge politicians and statesmen on the basis of information fed to us by them or their teams. Is that not the intention of many of the participants in the election debates when they make television speeches so similar to the incantations of itinerant preachers (admittedly, the latter at least admit the existence of someone wiser than themselves)? Is that now the way that the ever-increasing contenders for what is really the most difficult job in Russia intend to take?

But everyone has to be judged not by their collections of promises or their herbaria of scathing statements — what could be easier — but by their deeds. If they have not done anything remarkable which has been approved by the people then there is no credit attaching to them. This is the simple test which helps to work out unerringly who is who and who is no one at all in Russian politics.

Government Approves Guidelines for CIS Commission

LD0412190595 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 4 (INTERFAX) — The Russian Government has approved the composition of and terms of reference for the CIS Commission, which will work in compliance with Russian President Boris Yeltsin's decree of September 14, 1995 on the strategic course for relations with CIS member nations.

The Russian Ministry for CIS Affairs will have three months in which to draft and submit to the commission a program for implementing the strategic course.

The Russian Foreign Ministry and other interested federal executive authorities will draft and submit to the commission amendments that Russia will offer to make in the long-term plan of CIS integration approved by the CIS heads of state on October 21, 1994.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Decree Tightens Controls To Consolidate Reforms

MM0412143395 Moscow ROSSIYSKAYA GAZETA in Russian 2 Dec 95 p 4

[Russian Federation Government Decree No. 1175 "On the Tasks of the Federal Organs of Executive Power and Organs of Executive Power of Russian Federation Components in Ensuring the Country's Socioeconomic Development Through the End of 1995," signed by Russian Federation Government Chairman V. Chernomyrdin in Moscow on 27 November under the general headline "The Fall Is Over. Results Starting To Be Assessed"]

[FBIS Translated Text] The Russian Federation government notes that, as a result of the moderately tough financial policy conducted in January-September 1995, some signs of stabilization have appeared in the country's economy.

GDP and the volume of industrial output [both] fell by 3 percent in January-September 1995, whereas in the same period in 1994 the decrease constituted 12 percent and 23 percent respectively.

The monthly inflation rate fell from 18 percent in January 1995 to 4.5 percent in September 1995. The federal budget deficit was reduced significantly, to less than 4 percent of GDP. The funding of the federal budget deficit was provided for on a non-inflationary basis.

The volume of housing construction has increased by 13 percent as compared with the level of January-September 1994. Using personal income and with the help of credits, the population has built 50 percent more houses than in the corresponding period last year.

Russia's foreign trade turnover has gone up by 20 percent as compared with January-September 1994.

At the same time, the economic situation remains strained. In a number of spheres of socioeconomic transformation, the planned results were not achieved.

The federal budget's real receipts of income from import and export customs duties, the license duty on the right to produce, store, and bottle alcoholic products, and the privatization of property in federal ownership have been considerably lower than envisaged. The financial discipline of enterprises and organizations remains unsatisfactory.

It has not proved possible to raise the investment activeness of enterprises and organizations in 1995. In January-September 1995 the volume of capital investments from all sources of funding fell by 17 percent as compared with the corresponding period in 1994.

A strained situation has formed in the agro-industrial complex, particularly in grain farming.

The population's monetary income in the first nine months of 1995 decreased by 12 percent in comparison with January-September 1994. The level of budget funding of the social sphere is continuing to remain low.

In order to improve the Russian Federation's socioeconomic position and create conditions for the development of reforms in 1996, the Russian Federation government **decrees** that:

1. The Russian Federation Ministry of Finance, the Russian Federation State Tax Service, the Russian Federation Tax Police Department, and the Russian Federation State Customs Committee are to intensify work with enterprises and organizations to ensure the timely and full payment of tax and other compulsory payments into the federal budget, the budgets of Russian Federation components, and local budgets, and also to monitor the targeted use of budget funds.

2. The Russian Federation State Tax Service, with the participation of the Central Bank of the Russian Federation, is to adopt the necessary measures to reinforce monitoring of the timely transfer by commercial banks of tax and other compulsory payments into the relevant budgets, as well as responsibility for violating the procedure for transferring such payments.

3. The Central Bank of the Russian Federation is recommended to set up a procedure for the mutual offsetting of unmet obligations of commercial banks on a clearing basis and also to determine the terms and establish the procedure for granting stabilization credits to commercial banks experiencing financial difficulties for objective reasons out of their control.

4. Executive bodies in the Russian Federation components are to be prevented from making decisions restricting the movement of agricultural output and food within the Russian Federation.

5. The Russian Federation Pension Fund is to adopt the necessary measures to improve the collection of insurance contributions and reduce the size of arrears on payments into this fund.

6. The executive bodies in the Russian Federation components are recommended to intensify monitoring of the targeted use of funds allocated to pay subsidies to citizens who have children, preventing them from being used to other ends, and adopt the necessary measures to ensure the timely payment of the aforesaid subsidies.

7. A.B. Chubays, first deputy chairman of the Russian Federation government, the Russian Federation Ministry

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of the Economy (Ye.G. Yasin), the Russian Federation Ministry of Finance (V.G. Panskov), the Russian Federation State Committee for the Management of State Property (A.R. Kokh), the Russian Federation Ministry of Labor (G.G. Melikyan), the Russian Federation Government Commission for Economic Reform (S.A. Vasilyev), the Russian Federation Government Economic Situation Center (Ye.Ye. Gavrilenkov), together with the Central Bank of the Russian Federation, the Russian Federation State Committee for Statistics, and other federal executive bodies are instructed to submit to the Russian Federation government, by 15 December 1995, a draft comprehensive action plan for the implementation in 1996 of the Russian Federation government's "Reform and the Development of the Russian Economy in 1995-1997" program.

[Signed] Russian Federation Government Chairman V. Chernomyrdin

Government Takes 'Emergency Measures' To Pay Pensions

LD0512115095 Moscow ITAR-TASS in English 1123 GMT 5 Dec 95

[By Lilya Kuznetsova]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — The Russian government and the country's Pension fund have had to take emergency measures to make sure that all pensioners get their pay for November, a spokeswoman for the Pension fund, Larisa Gerasimova, told ITAR-TASS today.

According to Gerasimova, in order to pull out of the crisis, the Pension fund leadership had to step up efforts to collect outstanding debts and contributions owed to the fund by enterprises. In addition, bank loans had to be taken out to supplement six trillion roubles provided by the Finance Ministry of the Russian Federation to support the fund.

Pension fund chairman Vasiliy Barchuk said however that "the situation remains tense," as enterprises still owe the Pension fund more than 16 trillion roubles.

Nonetheless, the fund leadership is quite optimistic about the outlook for December: from December 1, all enterprises are reviewing the execution of their budgets for the year and making special efforts to pay the arrears. For this reason, Barchuk expects the debts to shrink somewhat in December.

As concerns forecasts for 1996, Barchuk thinks that "the 1996 budget will be very tight." He is sure that "legislative acts mandating coercive measures are needed" in order to raise 133 trillion roubles in insurance contributions.

Gerasimova rejected rumours alleging that working pensioners will be deprived of the right to both pension and wages from January 1, 1996. She said the rumours were "completely groundless."

Latest Personnel Reshuffles Seen Linked to Elections

MK0512100995 Moscow NEZAVISIMAYA GAZETA in Russian 30 Nov 95 p 1

[Report by Andrey Vaganov: "Cadre Maneuvers in the Russian Federation Government. A Burnt One Traded for Three Unburnt Ones"]

[FBIS Translated Text] Last Tuesday, in the course of a traditional meeting with Russian Prime Minister Viktor Chernomyrdin, the Russian Federation president decided to dismiss some heads of federal agencies and appoint new ones.

In the evening of the same day it became known that the president had signed edicts dismissing Eduard Nechayev as minister of health and the medical industry in connection with another assignment. Vladimir Kuramin has been appointed chairman of the State Committee for the Development of Northern Territories. Furthermore, the Russian Federation president authorized Sergey Dubinin, Central Bank chairman; and Yuriy Osipov, president of the Russian Academy of Sciences, to participate in the activities of the Cabinet of Ministers on the same level as members of the Cabinet of Ministers' presidium.

Quite unexpected cadre reshuffles that should have been expected. In the run-up to the Duma elections yet another proven weapon from the arsenal of pre-electoral struggle has been employed — replacing unpopular ministers and strengthening the positions of their more popular colleagues.

Although clouds had long been gathering over Eduard Nechayev, your NEZAVISIMAYA GAZETA correspondent found out that Tuesday's edict came as a surprise both to him and his ministry. According to some sources, Eduard Nechayev learned of the president's decision Tuesday morning, when Boris Yeltsin summoned the minister for an audience. A medical service general and the main surgeon of the Soviet Army and Navy, Eduard Nechayev has never been accepted in the civilian domain. Neither Viktor Chernomyrdin nor Deputy Premier Yuriy Yarov showed up at the All-Russia Pirogov Memorial Congress of Physicians last Saturday, although they were invited. Now it is clear why: The fate of Minister Nechayev, whose statement at the congress was openly jeered, had apparently already been decided.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The status of Yuriy Osipov, president of the "highest scientific establishment of Russia" (as said in its statute) — the Russian Academy of Sciences — has been upgraded to the level of a top state official, although it is not clear in what capacity he will be working in the government presidium, that is, with voting or only advisory powers. This is not the main thing, though. It will be recalled that in the 1993 elections the academic community's sympathies divided between the Communists, the LDPR, and "Yabloko." No doubt, the aspiration to attract scientists to the "Russia Is Our Home" bloc in the upcoming elections was not the least motive behind the presidential edict.

In any event, you cannot envy either the successor to Eduard Nechayev (true, according to NEZAVISIMAYA GAZETA sources, a long transition period is possible at the Health Ministry with an acting minister) or to the president of the Russian Academy of Sciences, in the sense that it will hardly be easier to change anything for the better in the Russian public health sector or in Russian science. The upgrading of Yuriy Osipov came against the backdrop of plans long brewing in government, state, and public structures to level the status of the Russian Academy of Sciences with that of other organizations engaged in organizing science in Russia. So with the acquisition of a new position (post? rank? honorary title?) Yuriy Sergeyevich [Osipov] is bound to acquire a powerful lobby against himself at the academy. Very characteristic in this respect is a recent statement by Mikhail Maley, chairman of the Russian Federation Security Council's Interagency Commission on Scientific and Technical Matters of the Defense Industry: "Today everybody is shedding tears over our Academy of Sciences and its deplorable condition, to the effect that there is a brain drain. But what sort of brains are these that failed to see anything in time? God relieved Russians of a pseudoscientific structure."

Time will show whether Mr. Maley was not too quick in burying the Russian Academy of Sciences.

Miners Trade Union Decides Against Strike

MM0412152795 Moscow RABOCHAYA TRIBUNA in Russian 2 Dec 95 pp 1-2

[Article by Viktor Ukolov: "No Success in Playing 'Miners' Card'"]

[FBIS Translated Text] It is possible that somebody else will try to play the "miner's card" in the pre-election struggle (a dangerous ploy!). But the miners themselves and their Coal Industry Workers Trade Union are displaying political firmness, as is proved by last Thursday's [30 November] enlarged session of the trade union presidium.

Up for discussion was the question of a Russia-wide strike involving a complete halt to mining, tunneling, and production at all enterprises in the sector and to the consignment of output to consumers.

There is no policy here, you see! It remains a fact that the constant delay in paying miners their wages, which are their sole means of existence, amounts to between two and four months or more. You'd get mad, irrespective of whether you're red, white, or even speckled.

It is a very good thing that people in the government realized this and, instead of arguing with opponents, have done everything that was possible for people. The "miner's card" has thus been simply knocked out of the hands of political opportunists.

Yesterday's RABOCHAYA TRIBUNA reported that at a conference chaired by Government First Deputy Chairman Anatoliy Chubays the Finance Ministry was tasked with ensuring additional coal industry funding of 500 billion rubles [R] by the end of the year. Coal to the value of R1.5 trillion is to be bought from them and will count toward paying off sector enterprises' debts to the federal budget.

One small detail. As soon as these measures became known there was talk that V. Chernomyrdin and his team (meaning the NDR [Russia Is Our Home]) are playing up to the miners and that on 17 December, after the elections, the government will turn its back on them. But this is what we read in the document: When clarifying the draft law "On the Federal Budget for 1996" the Russian Ministry of Finance and Ministry of Economics are to make provision for state support for the coal industry to be increased to R10 trillion from all sources of funding.

The trade union leaders were told the good news by Yuriy Malyshev, "Rosugol" State Enterprise General Director, and Aleksandr Yevtushenko, first deputy minister of fuel and energy.

Yu. Malyshev stressed: The schedule for federal budget funding of the sector for this year is being met; the problems with wages arose and have been exacerbated because of consumer debts, and the government is currently having to plug the ensuing gap in order to help the miners.

When everything was weighed up it seemed there was no reason to make a big fuss. But backing off is awkward too. Trade Union Chairman V. Budko was advised from the floor:

"Vitaliy, don't let them lead you by the nose. Don't move to their position."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Budko's solution to the problem was simple: Asking trade union territorial committee leaders and presidium members by name what they thought. Nobody supported a strike! Even Vorkuta representative Andrey Smirnov, while talking about the determined mood of the region's miners, who have had no wages since September, is personally against strong-arm action. He asked for a cable requesting people to refrain from striking to be sent to Vorkuta.

Incidentally, the Coal Industry Workers Trade Union has a good rule: If there is to be action, let it be joint action, but don't even try to go it alone. You won't get a result.

As a result the trade union leaders decided against bringing the miners out on strike. But they will conduct protest actions — rallies and pickets of local administration buildings — on 6 December. But this is purely economic struggle without any politics in it. They particularly stressed: Let everyone vote in the Duma elections the way his conscience commands.

Stop the press: The Vorkuta miners have decided to postpone a strike and other protest actions.

Military Issues

Yeltsin Vetoes Bills on Military Service

LD0412183095 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, Dec 4 (INTERFAX) — Russian President Boris Yeltsin sent back without consideration numerous bills on military service passed by the State Duma on November 15.

The bills had been passed in contravention of legal procedure, his press service reported Monday.

Yeltsin explained that he, in his capacity of the guarantor of the Russian Constitution, cannot sign federal legislation when the constitutionality of its adoption is questionable.

For this reason, Yeltsin vetoed amendments to the Military Service Act under which service would be reduced to 18 months for certain categories of people drafted last spring and for those involved in combat duty.

As the matter has not been legally resolved and Yeltsin believes it to be acute, he signed a decree on December 3 on discharge and additional social protection for servicemen who were or are involved in combat duty. Under the decree, servicemen who stayed at least one month in Chechnya or Tajikistan, or less than a month there but were wounded, will be discharged after 18 months in service.

Chernomyrdin Promises Support for Veterans

MM0412135195 Moscow KRASNAYA ZVEZDA in Russian 2 Dec 95 p 1

[Report by Boris Soldatenko: "Meeting with Veteran Military Leaders and Holders of Order of Zhukov"]

[FBIS Translated Excerpt] [passage omitted] This is perhaps the first time in many years that the date of birth of the Marsh of Victory has been celebrated at official level in Russia. On Friday morning [1 December] Viktor Chernomyrdin, chairman of the Russian Federation Government, laid wreaths at the monument to the military leader at the historical museum on Manege Square. Later at the Central House of the Russian Army there was a meeting between the Russian prime minister and the veteran military leaders and holders of the Order of Zhukov pegged to the birthday of Georgiy Konstantinovich.

Addressing the front-line veterans and army and navy servicemen, the Russian head of government assessed highly the activity of the renowned military leader of the Great Patriotic War, putting him on a par with Aleksandr Suvorov and Mikhail Kutuzov. It was emphasized that the order named for the military leader which has been instituted is undoubted confirmation of that. Viktor Chernomyrdin also announced that the initiative of Russia's veterans' organizations in starting the countdown of preparation for G.K. Zhukov's birth centenary was supported by the government and will undoubtedly be approved by the Russian president. The proposal to declare 1996 Zhukov year has met with a broad response and approval among the Russian people.

In the opinion of the Russian Federation Government chairman, the best thing the country's leadership can do in Marshal Zhukov's memory is to ensure a dignified life for the front-line veterans, Georgiy Konstantinovich's front-line comrades. The head of government gave his word personally to make every effort to ensure that the law "on veterans" starts to operate. Touching on a confidential talk with those assembled on the present state of the Russian Armed Forces, the prime minister confirmed yet again that the government has decided to pay back very soon all arrears to the Russian Federation Defense Ministry. "In general I am convinced," Viktor Stepanovich said, "that the authority of the army in Russia will be at the highest level."

Army General Mikhail Kolesnikov, chief of general staff of the Russian Armed Forces, who spoke, told the gathering about Georgiy Konstantinovich's great contribution to the development of the USSR Armed Forces. "I was only a cadet when he was already defense minister," Army General Mikhail Kolesnikov

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

said. "And I know from first-hand experience how he was concerned for the soldiers and officers. And we were always reliably protected by him." In the year of the birth centenary of G. K. Zhukov it is planned to open a memorial office museum for the outstanding military leader in the old Defense Ministry building.

Army General Vladimir Govorov, hero of the Soviet Union and chairman of the Russian Committee of War Veterans, despite the holiday nonetheless raised several acute issues to the government. Above all the veterans are perturbed by the provision of housing and medical supplies and wonder where the specialized "Veteran" shops have gone, and why the payment of pensions is held up for several months. And, of course, why prices for undertaker's services are growing in a predatory manner.... Unfortunately the front-line veterans have not managed to get a full firsthand answer to these questions. Indeed, these are complex questions and it is not that simple to answer them straight away.

The war veterans' speeches also voiced concern at the fact that with every passing year the attitude toward the Armed Forces is deteriorating. Why can the state not find money to ensure that pilots fly, that seamen improve their skill in voyages and not at the dockside? Why is there no fuel, why are army problems seemingly being relegated to the background, the veterans asked. It emerged that the front-line veterans are also seriously concerned at the fact that nowadays "for some reason the army is being joined by no-hopers who have been unable to find a job anywhere in civilian life." In brief, there were many questions for the head of government.

One very much wants to hope that in the new year of 1996 we will hear replies to these questions not in words but in specific deeds and real concern for the Great Patriotic War veterans.

Kokoshin Meets Defense Industry Trade Union Leaders

MM0412141195 Moscow KRASNAYA ZVEZDA in Russian 2 Dec 95 p 1

["Own information" report: "State-Defense Industry: Payments on Schedule"]

[FBIS Translated Text] First Deputy Defense Minister Andrey Kokoshin has met with leaders of the association of trade unions of defense sectors of industry, Yuriy Spichenok, Anatoliy Breusov, Vladimir Pililchuk, and Nikolay Zinovyev. There was a discussion of questions of the implementation of the presidential and government decisions on the complete fulfillment of the state's commitments regarding the defense order and the relevant sections of the 1995 federal budget.

The participants in the meeting noted that by late November payments had mainly reached the schedule approved by the government but the full implementation of the relevant decisions will require strenuous joint work. There was also an examination of questions of the need to index work on the defense order, on the intensification of the social protection of workers in Russia's defense complex, and on a whole package of measures aimed at preserving and developing Russia's defense industry.

Federal Assembly

Duma Overrules Federation Council Veto

LD0512113695 Moscow ITAR-TASS World Service in Russian 1119 GMT 5 Dec 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Translated Text] Moscow, 5 Dec (ITAR-TASS) — The State Duma today overruled the Federation Council's veto on the law on the procedure for forming the Russian parliament's upper chamber. A total of 311 deputies voted to overrule the veto. The majority needed was 300 votes. Nine parliamentarians voted against, while five abstained.

Council's Fate Seen Hinging on Court, President

MK0512071195 Moscow KOMMERSANT-DAILY in Russian 29 Nov 95 pp 1, 3

[Report by Veronika Kutsyllo under the "Federation Council Meeting" rubric: "The Upper Chamber Can No Longer Decide Its Fate on Its Own"]

[FBIS Translated Text] "A jeer at the upper chamber," "short like a slap in the face," "funny and crippled" were just a few of the labels the upper chamber attached to the draft law on its formation passed by the State Duma on 17 November. It was supported by just 22 members of the Federation Council, with 73 voting against it. Presently a new draft has popped up in the upper chamber, and Vladimir Shumeyko, who has tirelessly repeated that the Federation Council's fate should be decided by the chamber itself, appears to have achieved a clear triumph. In all likelihood, however, this draft law will be short-lived, and the fate of the upper chamber will be decided by the Constitutional Court, the Duma, and the president. Meanwhile, the future of the speaker himself is inextricably linked to that of the Federation Council. Veronika Kutsyllo comments.

The draft law that was rejected by the upper chamber is indeed short. It consists of only four articles (for comparison: There are 72 articles in the Law on State

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Duma Elections). Under the law, the upper chamber is to be made up of the heads of the executive and legislative authorities of the regions regardless of whether they were elected or appointed. Elections for the heads of administration are to be completed by December 1996.

The upper chamber proposed yet another option: A draft law tentatively called the Krestyaninov-Titkin bill (in all, 14 people affixed their signatures to it) sets forth that any person — not necessarily the head of the local authorities, provided he or she is authorized by them — may be a region's representative in the Federation Council. But initially Federation components are to pass laws on the procedure for authorizing their representatives. The Federation Council will be entitled to start its deliberations if at least three-quarters of its members are present. Until that joyful moment for the next lineup of Federation Council deputies, the first Federation Council will continue operating.

Yet, this rendering of the bill passed on behalf of the Federation Council to the State Duma as the upper chamber's legislative initiative is fairly rough. The thing is that the senators voted for a pig in a poke, as they backed the following phrasing: "To approve along with all the proposals made to it during the meeting." Since there were many often mutually exclusive proposals during the meeting, it is fairly difficult to say exactly what sort of text will be submitted to the State Duma.

This is not that important, however. Although the State Duma has already changed its stance twice — swinging from a purely "elected" to a "semielected" and, finally, to a completely "nonelected" upper chamber, it is unlikely to back away for a third time with a week to go before the elections. Ivan Rybkin has already said: "After 13 December the Federation Council can meet and make decisions on something, but anything it does may be challenged in court as soon as anyone so wishes." By the way, an emergency Duma meeting, on which Shumeyko is pinning his hopes, is unlikely: With the election campaign in full swing, this would be a risky thing to do, because there may be too few deputies to override the senate's veto. Second, it would be wiser for the Duma to wait until 7 December, when a Constitutional Court meeting is scheduled to take place.

What options are left to Shumeyko then? Placing his hopes on the president, who "as the guarantor of the Constitution cannot sign an unconstitutional law" and on his own discoveries, such as "the Federation Council's term will end on 12 January — two years after the chamber's first meeting — not on 12 December," as he said yesterday. It seems, however, that these hopes will be in vain. Moreover, Boris Yeltsin seems to have already written off one of his most loyal followers (suffice it to recall the travails of the "Russian Reforms — New Course" movement and Rossel's demarche or Mikhail Krasnov's protest against "representatives of the central authorities" pushed for by Shumeyko). Of course, the views of those who interpret Yeltsin's words at the Central Clinical Hospital and his aides are not the president's view, yet, as the saying goes, there is no smoke without fire. Yesterday, Aleksandr M. Yakovlev, when asked by KOMMERSANT-DAILY about the future of the Federation Council after 12 December, uttered just one word: "Finish." And this may apply not just to the chamber.

Duma Urges Full Funding of Defense Spending

MM0512100695 Moscow ROSSIYSKAYA GAZETA in Russian 5 Dec 95 p 3

[Unattributed report under the rubric "At the State Duma": "On the Funding of Defense Expenditure"]

[FBIS Translated Text] After hearing in closed session a report by A.A. Kokoshin, Russian Federation first deputy defense minister, on the question of the funding of defense expenditure in 1995-1996, the State Duma adopted a decree. In particular, the State Duma recommends that the Russian Federation president accelerate the adoption of measures to implement military reform and ensure the practical resolution of the main tasks in the sphere of defense and security set forth in the President's Message to the Federal Assembly "On the Effectiveness of State Power in Russia."

In the course of preparation of the draft federal law "On Amendments to the Federal Law 'On the Federal Budget for 1995,'" Duma committees are instructed to make provision for an increase in expenditure on servicemen's pay and the wages of civilian personnel of the Russian Federation Armed Forces, on troop shipments, on payment for the purchase and repair of arms and military equipment, on defense research and design work, and on capital construction for defense needs.

The Russian Federation Government is instructed to ensure full funding of expenditure under the "National Defense" section of the expenditure side of the federal budget for 1995, and by 15 February 1996 to extinguish, within the limits of the budget appropriations allocated, the actual debt under the articles "maintenance of the Armed Forces," "purchases of arms and military equipment," "research and design work," and "capital construction" in the sum confirmed by the Russian Federation Comptroller's Office. It is also proposed to establish a procedure in 1996 for the implementation of the federal law on the federal budget so as to ensure

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

stable funding under all components of expenditure in the "National Defense" section.

Regional Affairs

Chechnya Reportage; Terrorism, Negotiations, Elections

Dudayev Threatens Russian Bloodbath

AU0512110595 Munich ARD Television Network in German 2133 GMT 4 Dec 95

[Report by Sonia Mikich on interview with former Chechen president Dzhokhar Dudayev in "a lonely farmhouse" in Chechnya and Chechen guerrilla leader Shamil Basayev in Vedeno; date not given — recorded; statements by Dudayev and Basayev in Russian with superimposed German translation]

[FBIS Translated Excerpt] [Mikich] On country roads through rivers and woods, we are on our way to Dzhokhar Dudayev. We repeatedly get stuck in the deep mud. Chechen rebels drag us out. It is icy-cold and very dangerous. Russian Interior Ministry troops are deployed only 2 km away. Every night, there are gunfights here.

After three hours, we have completely lost our orientation, but then the road leads to a lonely farmhouse: the hiding-place of President Dzhokhar Dudayev. He looks fresh and self-confident and quickly picks a quarrel. He criticizes the attitude of the West, which continues to pass over Moscow's human rights violations in silence out of consideration for the great power, Russia.

I ask him with which Russian politician he could envisage finding a way out of the deadlock?

[Dudayev] The politicians who are now in power are criminals. The only politician whom I believe capable of putting an end to this criminal regime is General Lebed.

[Mikich] Like Dudayev, Lebed is also shaped by the Soviet Army. A strong man and a patriot — this impresses former Air Force General Dudayev. In addition, Lebed was one of few Russian generals who protested against the Chechen war.

[Dudayev] Boris Yeltsin is isolated and finished. The governor he has appointed is simply ridiculous. For me, none of these traitors to their own country is eligible as a discussion partner.

[Mikich] Dudayev rejects the upcoming elections on 17 December. He calls on his compatriots to boycott the farce by peaceful prayers in the mosques all over the country. At the same time, however, he threatens guerrilla warfare.

[Dudayev] Shamil Basayev is under my command. He is the leader of a sabotage unit, a suicide unit. Basayev is a disciplined soldier with great striking power.

[Mikich] In the south of Chechnya, where the Caucasus begins, Russia's control ends. In this seclusion, Shamil Basayev is regarded as a hero. Nobody would betray him, the man who has been wanted as a top terrorist by Russia since the hostage-taking of Budennovsk. [passage omitted]

[Basayev] I have enough people, I have all the means. I can even disturb the Russian elections. In one day, I can bathe half of Russia in blood. [passage omitted]

Volskiy Urges 'State of Emergency'

LD0412200995 Moscow Radiostantsiya Ekho Moskvy in Russian 1900 GMT 4 Dec 95

[FBIS Translated Text] Arkadiy Volskiy, a member of the Russian Government delegation, is convinced that in order to introduce order it is necessary to take serious measures.

[Begin Volskiy recording] I believe that it will be wrong to tolerate and preach toleration of evil and violence. Some time ago I spoke against the introduction of the state of emergency in Chechnya in connection with the signing of a military agreement, but I would advise the Zavgayev government today, which can now enforce various legal acts, to introduce a state of emergency in Groznyy. They have the right to do so. They do not need any decision from the Federation Council. [end recording]

Arkadiy Volskiy does not link today's terrorist attack with the elections scheduled for 17 December.

Zavgayev Statement Condemns Bombing

LD0412183195 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] GROZNYY, Dec 4 (INTERFAX) — Moscow-backed Chechen leader Doku Zavgayev has signed a statement by Chechnya's parliament and government calling for the arrest of those responsible for the explosion of a car bomb near Russian government headquarters in Groznyy today.

"Every measure will be taken to find those who have organized and carried out the terrorist act in the center of Groznyy on Monday," the statement read.

According to the updated reports, 11 people died and 60 were wounded.

The statement also says that "the barbaric and senselessly ruthless explosion in a busy downtown street is

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

one more link in the chain of crimes organized by a handful of extremists."

This crime marks the beginning of a new wave of terror against the population of the republic, the document goes on to say. Its goal is to intimidate the people on the eve of the elections and to undermine the process of stabilization, it says.

The Chechen parliament and government expressed deep condolences to the families of the victims.

Lobov Condemns Terrorist Attack

LD0412174595 Moscow ITAR-TASS in English 1726 GMT 4 Dec 95

[FBIS Transcribed Text] MOSCOW, December 4 (ITAR-TASS) — Russian special envoy to Chechnya Oleg Lobov condemned the car bomb explosion in the Chechen capital Groznyy on Monday, describing it as an "act of vandalism."

"This terrorist act cannot be described as anything else but vandalism. This act is directed against the peaceful population. Nothing can justify the sacrificing of women and children. The killers must be brought to justice," he said in a statement.

Following is the full text of the statement issued by Lobov:

"A new terrorist act has been committed in the city of Groznyy. As a result, peaceful citizens of the Chechen Republic have died and many have been injured. Among them are children and women.

"This terrorist act cannot be described as anything else but vandalism. This act is directed against the peaceful population. Nothing can justify the sacrificing of women and children. The killers must be brought to justice.

"I extend condolences to the victims' families and all those who have been affected, and express the hope that in the long run those guilty will be found and punished. Peace will reign again on Chechen land."

Zavgayev: Amnesty Decree Sets 'New Stage'

LD0212175395 Moscow NTV in Russian 1600 GMT 2 Dec 95

[From the "Segodnya" program]

[FBIS Translated Text] This morning, two of the main candidates for the highest Chechen post were in Moscow. Our film crew met Doku Zavgayev near the entrance to the television center.

[Correspondent Aleksey Tereshchenko] Doku Zavgayev, head of the Chechen Republic, flew to Moscow to continue consultations with the federal authorities. He intends to return to Groznyy today again, and he won't return to Chechnya empty-handed. It was namely at the initiative of Zavgayev that Boris Yeltsin signed a decree yesterday on legal guarantees for members of illegal armed formations in the Chechen Republic. Zavgayev considers the signing of that document a definite success along the path to civil accord.

[Begin Zavgayev recording] A new stage is beginning in our country today along the path of restoring civil peace and accord. [end recording]

[Tereshchenko] Meanwhile, the registration of candidates for the post of the head of Chechnya ended today. The elections are planned for 17 December. The possibility of Dzhokhar Dudayev's participation in them is giving rise to particular interest among observers:

[Begin Zavgayev recording] It's his business, not mine. It's the business of anyone who wants to put himself forward. If he wants to, he should do so. The results of the voting will show how many supporters a person has. [end recording]

[Tereshchenko] Doku Zavgayev is convinced he will win in the elections, incidentally, as are other candidates. [Video shows Zavgayev near television tower at Ostankino, interview with Zavgayev]

Text of Amnesty Decree Published

MM0412163995 Moscow ROSSIYSKAYA GAZETA in Russian 5 Dec 95 p 1

[Russian Federation Presidential Edict 1211 "On Legal Guarantees for Members of Illegal Armed Formations in the Chechen Republic Who Have Voluntarily Ceased Their Unlawful Actions," dated Moscow, the Kremlin, 1 December 1995 and signed by Russian Federation President B. Yeltsin: "Bayonets Into the Ground, Citizens — an Amnesty! This Appeal Is to All Chechens Who Possess Weapons"]

[FBIS Translated Text] Mindful of numerous appeals from members of illegal armed formations in the Chechen Republic who wish voluntarily to lay down their arms and cease their unlawful actions, as well as the petition from the Supreme Council and Government of the Chechen Republic, I decree:

1. The proposal by the Supreme Council and Government of the Chechen Republic to form a commission to examine applications by members of illegal armed formations on the territory of the Chechen Republic who have voluntarily ceased their unlawful actions (hereafter called the commission) is to be supported.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

D.G. Zavgayev, head of the Chechen Republic, is appointed chairman of the commission of the chairman of the government.

2. D.G. Zavgayev is to form the commission, incorporating within it also representatives of the Russian Federation Ministry of Internal Affairs and the Russian Federation Federal Security Service (by agreement with the leadership of the said organs).

Sessions of the commission are held with the participation of a representative of the Russian Federation Prosecutor's Office.

3. The commission is to be entrusted with examining applications by persons who have voluntarily laid down their arms and ceased unlawful actions not to have criminal proceedings instituted against them and with adopting the appropriate decision jointly with the law enforcement organs of the Chechen Republic.

4. The commission adopts a statute governing the organization of its work and concretizing the procedure laid down in this edict for its examination of questions.

5. This edict also extends to citizens who reside on the territory of the Chechen Republic and who are not members of illegal armed formations but who possess weapons illegally.

6. This edict does not extend to persons who have committed grave crimes and against whom criminal proceedings have been instituted.

7. Control over the fulfillment of this edict is entrusted to O.I. Lobov, the Russian Federation president's plenipotentiary representative in the Chechen Republic.

8. This edict comes into force the day it is signed.

[Signed] B. Yeltsin, president of the Russian Federation.

1 December 1995.

OSCE Mission's Difficulties Growing

LD0412160995 Moscow INTERFAX in English 1409 GMT 4 Dec 95

[FBIS Transcribed Text] GROZNYY, Dec 4 (INTERFAX) — Istvan Dyarmati, private envoy of the OSCE [Organization for Security and Cooperation in Europe] acting chairman in Groznyy, told journalists at a press conference in Groznyy Monday that OSCE representatives have been encountering a growing number of difficulties in their work here.

He said the federal authorities have not permitted an OSCE representative to enter the populated center of Shali today (45 kilometers to the southeast of Groznyy). The latter was scheduled to meet with Aslan Maskhadov, commander of Chechen separatist forces.

On the other hand, Dyarmati said, separatist leader Dzhokar Dudayev declined an OSCE request for a meeting last week.

Dyarmati did not say which side presents more obstacles for the activity of the OSCE mission. "I cannot say that this is a political course of one of the parties. People now face more problems than two or three months ago," he said.

He refused to predict the outcome of elections for Chechen head of state scheduled for December 17, but noted that "they could be much better organized."

Dyarmati confirmed the OSCE adherence to settle the situation by a negotiation process and to fulfill all provisions of the military agreement, in particular, to resume an exchange of prisoners of war.

Maskhadov Refused Entry into Groznyy

LD0512150895 Moscow ITAR-TASS World Service in Russian 1336 GMT 5 Dec 95

[By ITAR-TASS special correspondent Aleksandr Kharchenko]

[FBIS Translated Text] Groznyy, 5 Dec (ITAR-TASS) — Lieutenant-General Stanislav Kavun, deputy commander of Russia's Interior Ministry troops, talked in Groznyy today about the reasons why on 4 December the Russian servicemen in the area of Argun refused entry into Groznyy to Aslan Maskhadov, chief of the main headquarters of the Dudayev formations, who accompanied an OSCE official.

According to the general, on 3 December he met with Lieutenant General Anatoliy Shkirko, commander of the united grouping of the federal forces in Chechnya. OSCE officials were present at the meeting. In the course of the meeting it was mentioned that Aslan Maskhadov had promised to resolve the question of returning Lieutenant Colonel Maksimenko and Private Morozov who were seized by the Dudyaevites in October when they accompanied Maskhadov from Groznyy to Roshni-Chu. Maskhadov many times promised to return these people. Nevertheless until today Maksimenko and Moroz have not been returned, Stanislav Kavun said. Therefore commander Shkirko was forced to state that he would stop any negotiations with Maskhadov until the issue is resolved.

Neverthless, at the request of the OSCE official, Lieutenant General Shkirko ordered to let through the cars of the OSCE official and Maskhadov from Argun into Groznyy. It had been mentioned in advance that

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the OSCE official's car would not be searched, while Maskhadov's vehicle would be searched. The OSCE officials informed Maskhadov about it. He was also told that he was allowed to have only infantry weapons on him and he had to be accompanied by drivers and two guards.

However at the checkpoint mortars and machine-guns were found in Maskhadov's car. In this connection he was told: "Give up your arms apart from the infantry and you are allowed to pass through to the OSCE mission in Groznyy." But Maskhadov refused to do it. His car reversed and left.

Chernomyrdin: Elections Must Be Held

LD0512093195 Moscow ITAR-TASS in English 0830 GMT 5 Dec 95

[FBIS Transcribed Text] GROZNYY December 5 (ITAR-TASS) — Five civilians were killed and 57 wounded as a result of a strong explosion that sounded on Monday [4 December] near the government house in Groznyy. Four servicemen from the guards were also killed, according to verified data received on Tuesday by ITAR-TASS from the press centre of the iterim joint forces in the Chechen Republic.

An extraordinary meeting of Russian Prime Minister Viktor Chernomyrdin and Interior Minister Anatoliy Kulikov was held late on Monday evening. The situation connected with the terrorist act was discussed. The participants in the meeting arrived at the conclusion that "despite all acts of terror and intimidation, elections in the Chechen Republic must still be held". Additional security measures that should be introduced in Groznyy were also discussed. The situation in Chechnya will possibly be discussed on Tuesday during a meeting of Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin, ITAR-TASS learned from well-informed sources.

Extra measures to ensure safety in Chechnya and in its capital are being taken, ITAR-TASS learned from the press service of the command of the interim joint forces in Chechnya. The streets of Groznyy are patrolled by reinforced units of joint forces and interior ministry forces of the Chechen Republic. The guarding of administrative building, bridges and communications was reinforced.

The Russian President's envoy in the Chechen Republic, Oleg Lobov, who delivered on Monday a statement regarding the explosion in the centre of Groznyy, assesses it as an act of vandalism and believes that killers of peaceful people should be brought before court.

Khasbulatov: Chechen Elections a 'Farce'

AU0412180195 Paris AFP in English 1733 GMT 4 Dec 95

[FBIS Transcribed Text] Groznyy, Dec 4 (AFP) — Russian-organised leadership elections in the breakaway republic of Chechnya are a "farce," candidate Ruslan Khasbulatov said Monday [4 December], threatening to pull out of the vote.

Instead of holding peace talks with separatist rebels who have battled Russian troops for the last 12 months, Moscow has delivered "this farce of so-called elections," Khasbulatov told AFP.

Khasbulatov, former Russian parliament speaker, said he would try to persuade separatist leader Dzhokhar Dudayev's forces to take part in the December 17 vote.

If he failed, "or if there is proof that the elections are fixed, I will not participate," he said, shortly after a bomb exploded near the headquarters of the Russian-installed government, killing up to 10 people.

Four candidates are registered for the elections, including Khasbulatov and the current head of the Russian-installed Chechen government, Doku Zavgayev.

Khasbulatov said he met Sunday with top rebel military and political leaders in the southeastern town of Shali to try and persuade them to contest the elections.

Chechen rebels say the elections are illegitimate, ignore Dudayev and are being forced on Chechnya by an occupying Russian army.

"They hold uncompromising positions on the elections, (but) it's difficult not to agree with their argument," Khasbulatov said.

He said the bomb, for which no side has claimed responsibility, was "more than likely" placed by separatist forces.

Khasbulatov added to growing fears that the elections will cause a new escalation in the year-old war.

"These elections do not serve the cause of peace. These elections will lead to civil war. I am sure that people will vote for me. But when half of Chechnya does not take part in elections, I do not need that kind of victory," he said.

Lobov on Chechen Situation, Elections

MK0212123995 Moscow NEZAVISIMAYA GAZETA in Russian 29 Nov 95 pp 1, 3

[Interview with Oleg Lobov, secretary of the Russian Federation Security Council, by Aleksandr Bangerskiy;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

in Paris, date not given: "'My Office Is Outside Politics. Russian Federation Security Council Secretary Oleg Lobov Believes the Majority of Chechnya's Population Favor Elections"]

[FBIS Translated Excerpt] [Bangerskiy] Oleg Ivanovich, although we are now in Paris, my first question is, of course, about Chechnya.

[Lobov] After the republic's Supreme Soviet began to work and the head of the Chechen republic was elected, I believe all conditions were in place to start preparations for elections. Both the Supreme Soviet and the National Accord Committee managed to approach this question in a balanced manner, and it was only after public opinion was studied that it was decided to hold elections on 17 December — and on the same day, elections to the State Duma and for head of the Chechen Republic, although a number of parties and, naturally, Dudayev supporters opposed the idea. But they are in the minority. And the majority of the population are for elections.

The problem is that there have been no elections in the Chechen republic for the last five years. The people's opinion was not sought — neither referenda nor elections. Therefore, everybody is naturally looking forward to this event.

[Bangerskiy] What gives cause to believe that the elections will take place?

[Lobov] The fact that eight candidate deputies for the State Duma have raised more than 100,000 voters' signatures. For the Chechen Republic, where there are approximately 400,000 voters today, this figure is quite impressive. For Duma elections to be valid, the turnout must be not less than 20 percent. This is quite realistic for Chechnya.

As for preparations to elect the head of the republic, this process has just begun. Two candidates are already known — Zavgayev and Khasbulatov. Apparently there is also a third candidate. I think that closer to election day there will be even more. In other words, the elections will be competitive. To make sure that they are free and democratic, international monitors are being invited. An OSCE mission has been working in the Chechen Republic for a long time now. The republic leadership and the federal authorities have very close contacts with them. At present, incidentally, the mission is headed by a Frenchman, Mr. Pelen.

There is the problem of the military presence in the republic. But there is also an agreement already in place which, however, is being poorly implemented. And still federal authorities are taking unilateral measures to avoid clashes and reduce the danger of hostilities.

[Bangerskiy] What are these measures?

[Lobov] Well, first of all, a voluntary downsizing of armed forces on the republic's territory. By my estimates, compared to the beginning of the year, there are 2.5 times fewer troops there now. Furthermore, the troops are currently being moved from the line of confrontation to areas of their permanent or temporary disposition, which were coordinated with the republic's leadership.

In all districts, administration heads have been appointed, law enforcement agencies are being created, there is local police, and prosecuting agencies and courts are being formed. There is a conciliation "roundtable" including representatives of various parties and movements; that is to say, public organizations have started working. Every day there is news about the registration of new parties and movements. The local press, TV, and radio are beginning to operate. Trade is reviving. Industry has been running since June and production growth rates are fairly high. The oil industry is working: The first wells have been opened and the first oil processing plant has been launched. Today we have reached the level of some 4,000 tonnes a day, with approximately 1,500 tonnes of light [svetlyye] oil products. These are impressive figures for the republic. [passage omitted]

To be sure, much work lies ahead. This year approximately 7 trillion rubles will be spent from the federal budget on rebuilding. The local budget has also begun to "work." For instance, in September 54 billion rubles worth of industrial goods were produced.

A rehabilitation and development program for the Chechen Republic is being developed for next year. New production facilities need to be created and new approaches sought. Here the sum involved will be 20-25 trillion [rubles]. Of course, it is essential to commit funds from the country's budget, but also to attract private investors, including from abroad, and to this end conditions need to be provided for protecting investments and increasing their yield. Here the first moves were made by the Russian president, who signed [an edict on] lifting customs duties on oil exported from the republic. Chechen oil is of high quality and in high demand.

Proposals are pending on tax exemptions in order to provide conditions for boosting the region's economy. We want to lower taxes for a long period — for five years. I think that such a policy on the part of federal and local authorities will allow for stabilizing the situation and ensuring normal living conditions.

At present an agreement is being prepared on the foundations of interrelations between Chechnya and the Rus-

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

sian Federation. It will be the prototype of a treaty which will be concluded after the elections — a full-fledged treaty like those that exist with Tatarstan, Bashkortostan, and a number of other Federation components. [passage omitted]

[Bangerskiy] What have been the results of your visit to France? What was the main one?

[Lobov] The main result is that we managed to discuss matters of European security, NATO expansion, and Russia's security in the context of ongoing developments, including in the Chechen Republic. We exchanged information and opinions with our colleagues from the National Security Service.

The second result were the meetings with [representatives of] business circles of France and other countries timed to coincide with the presentation of the book "Russian Oil and Gas." We view energy security as a key direction for ensuring Russian security. If the situation in this sphere is normal, this will be a cornerstone of security as a whole.

Power engineering is the country's identity; it is what makes it great. The fact is not even how much oil we produce, but how we produce it, and how effectively we use it. We must be competitive. [We must] move from processing 60-65 percent of the oil to the world level of 90 percent. Our trip has been yet another step toward a breakthrough to the European and world markets.

[Bangerskiy] How does France view the prospect of NATO enlargement?

[Lobov] I think that France's position is this: Without Russia's consent there will be no NATO eastward expansion. At least such is the forecast by French experts.

[Bangerskiy] How do you assess the situ on in Russia in the run-up to elections?

[Lobov] I think that we all understand the complexity of the situation when there are 43 names on the ballot. There is a risk of a random choice. Many parties and movements duplicate each other. With time they will clearly merge and unite, and in the end there will be a few parties with a solid theoretical and material base really able to form a government. The present situation creates a certain inconvenience, because now apparently not a single party is able to form a government single-handedly and have a solid faction in the Duma that would allow it to pursue a consistent policy over a sufficiently long period.

The government in such a huge country like ours cannot be changed often. This is not Italy! Russia's gigantic scale — both in terms of population and territory — imparts a certain inertia to it: What is put in place today may not start producing results until two to three years later. Judging by his latest statements, the Russian president is also upset over such a dispersal of political forces, as well as a certain extremism in their positions. This cannot fail to worry the ordinary voter, too. He is confronted with the question: Who to vote for? And with such a setup there is a danger that people with extreme radical views can come to power. The president is also concerned — and he has expressed this concern — by the growing popularity of the Communist Party, because this could create the prerequisites for restoring the old ways that existed under the administrative system. At the same time the president said that nothing terrible would happen if the Communists get a substantial number of votes. He cited the figure of 10-12 percent. This is his forecast.

[Bangerskiy] And what is yours?

[Lobov] I think few will be able to surpass the 5-percent barrier. The Communists will. I do not know by how much, but if they get 7-8 percent, this will be an achievement. But this result will not be the expression of the will of a majority of the population.

[Bangerskiy] Why are you not running for deputy?

[Lobov] I was a deputy of Russia and the [Soviet] Union, but now, when both the Duma and the Federation Council are working professionally, if I became a deputy I would have to quit my job as Security Council secretary. There would simply be no time for that — unlike in the past, when a deputy attended a session for two days every three months, voted, and went back home.

Furthermore, my office is outside politics. If there was a party that could form a government and the bulk of the presidential staff, then it would be a different matter. But today I cannot possibly uphold the interests of just one party: This would be direct lobbying.

[Bangerskiy] And still, do you have any political sympathies?

[Lobov] I can say that I am working for the "presidential party." In other words, in the presidential team. But as you know, the presidential team includes supporters of Russia Is Our Home, Russia's Choice, Cedar [Kedr], and Fedorov. The president himself is not affiliated with any party or movement either. He embodies the democratic bloc, which at various times included a different number of parties. At present there may be some 10 parties that are sympathetic toward him. Before the presidential elections their number and composition are likely to change. Maybe he will be supported by five

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

blocs or maybe 15. Then he will lean on a coalition of various movements and parties.

[Bangerskiy] And how are you going to vote in December?

[Lobov] This is a secret.

Registered Candidates Listed

LD0412131395 Moscow ITAR-TASS in English 1217 GMT 4 Dec 95

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, December 4 (ITAR-TASS) — Ex-speaker of the Russian parliament Ruslan Khasbulatov was registered on Monday as candidate for head of the Chechen Republic. An appropriate decision was taken by the republican election commission in Groznyy.

Movsar Aduyev, editor of a Groznyy newspaper, and Lecha Saligov, chairman of the Committee on Publishing and Book Trade in Chechnya, were also registered today as candidates for this high post, along with Khasbulatov. The elections will be held on December 17.

Incumbent chairman of the Moscow-backed republican government Doku Zavgayev was the first candidate registered for this post on November 28.

Candidates Speak on Current Issues

LD0412105395 Moscow Russian Public Television First Channel Network in Russian 1900 GMT 3 Dec 95

[FBIS Translated Text] [Studio announcer Nelliy Petkova] Despite the possible expectations of many, elections are center stage in the Chechen Republic. Dzhokhar Dudayev's powers, which he assumed without the consent of the federal authorities, expired a month and a half ago. So even by Dudayev's reckoning, the job of head of state is now vacant. Several candidates proclaimed their desire to take the job. But only four were able to gather the required number of signatures and get themselves registered in time.

The candidates are Doku Zavgayev, current head of the Chechen Government, Ruslan Khasbulatov, former Russian Supreme Soviet speaker, Lecha Saligov, chairman of the Chechnya state press committee and Movsar Aduyev a newspaper editor.

Only two are realistic contenders: Khasbulatov and Zavgayev.

[Video shows stills of Khasbulatov and Zavgayev over caption, "What is the difference between your election manifestos?." Both men, filmed separately, then answer to unseen questioner]

[Khasbulatov] I haven't got an election manifesto as such. Election manifestos look simply absurd in relation to Chechnya. I am a firm supporter of resolving this conflict by peaceful means. The sooner this tragic page in our history and in relations between the Chechen people and Russia ends, the better. We can't deny it, although some are trying to make out there wasn't a war. Let's admit that there is a gulf between the Russian federal authorities and the people and citizens of Chechnya. It is nonsensical to try to deny that there isn't. So, I am trying to somehow bridge this gulf.

[Zavgayev] These are the principles on which I approach this matter. Tell people only the truth and speak openly and honestly. And not use a single word that could mislead people. If I make promises, I will promise only what I can realistically deliver and within a specific time frame. This government has been working for a month. During that month I have made promises, and I have delivered. I promised to obtain an amnesty. I convinced President Boris Nikolayevich Yeltsin, and Oleg Ivanovich Lobov, his representative here in the republic, supported me. And the day before yesterday, the president signed a decree on safeguards for people who were in illegal armed bands. That is, we absolve them of responsibility. This was promised, and it was done.

[Question on video: "What kind of status should Chechnya have?"]

[Khasbulatov] We have to summon up the courage to recognise these principles: that the Chechen Republic accepts the need for a single citizenship; that the Chechen Republic accepts the need for open borders; that the Chechen Republic accepts the need for a single currency system; and the Chechen Republic accepts the need for a total rejection of armed force.

[Zavgayev] Our republic will have a special status, and Boris Nikolayevich is quite definite on this. His commitment to the concept is confirmed by his decree which essentially delegates to our republic, the republic's government and me personally, what are in effect part of his, the Russian president's, powers. These powers can be exercised in relation to citizens of the Chechen republic who are, to a certain extent, involved in the conflict.

[Question on video: "What kind of dealings will you have with Dudayev and his supporters?"]

[Khasbulatov] How much longer can this conflict go on? I support dialogue. The main reasons for this war are not the personalities, however much certain leaders might be to blame. Instead, they lie in the absence of a legal framework for mutual relations.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Zavgayev] The president's decree on safeguards for members of illegal armed bands will now open the door for direct dialogue with those who are called Dudayevites. They are our people as well. They are friends and relatives of many of us, they are our village neighbours, and so on and so forth. These are our people and we should talk to them to find a compromise, to relieve them of the burden that keeps them in their current position. So the decree will help them and we will help them return to their village and to peaceful creative work.

[Question on video: "Do you not fear that elections will lead not to stabilization but to civil war in Chechnya?"]

[Khasbulatov] The point of these elections is to get them held as quickly as possible, catch opponents off guard, and declare someone the winner. But what will declaring a winner do in these conditions? It will cause the most determined resistance. That is, these elections are not a means to contain and neutralize the conflict. They are being held from a position of strength, to force us to knuckle under. To be honest with you, I don't like this aspect of the elections.

[Zavgayev] The elections themselves can in no way destabilize the situation in the republic. Elections are an inalienable right of this republic's citizens. Over the past five years there haven't been any elections here, or referendums. The people were deprived of their voice. And today they want to express their will. So by calling elections, the Supreme Soviet's goal was to give people a chance to determine their own future. Anyone or any group saying they'll stop the elections from going ahead will be at odds with the people and with the law.

Zavgayev Interviewed on Elections

LD0412103795

[FBIS Editorial Report] Moscow NTV in Russian at 1800 GMT on 3 December broadcasts the "Itogi" program. Yevgeniy Kiselev presents a 13-minute interview with Doku Zavgayev, head of the Chechen Republic. The interview continues the theme of events in Chechnya. Kiselev asks Zavgayev about the elections to be held in Chechnya on 17 December. He says that his main rival in the elections for the head of the republic, Ruslan Khasbulatov, set off for Chechnya on Saturday. In an interview with ITAR-TASS, Khasbulatov said he was confident he would win and did not see any serious rivals. He asks Zavgayev whether he is confident that he will win?

Zavgayev says: The main thing for me is that the elections take place. Over the past four years our people have been living in expectation. Many promise heaven on earth. Some promised a land of plenty. My people need practical matters, real steps. Two days ago, Boris Nikolayevich Yeltsin supported our request, the request of the supreme soviet of the republic, of the government of the republic, and signed a decree, which essentially begins a new stage along the path of reviving our republic and of attaining a civil peace.

Kiselev continues the question of the elections. He says: You said that the main thing for you was that the elections should take place. But you are already putting forward your candidacy for the post of head of republic and you will fight for that post. How do you assess your chances?

Zavgayev replies: I would clarify your question a bit. I have never put myself forward in my entire 54 years. I was asked to run, to agree. I agreed. As far as campaigning for myself goes, I think that it would be amoral to jostle for that "happiness" with anyone who wants it, if anybody sees it like that, in such a difficult moral situation, with the economy in ruins. I agreed to stand for president seeing it simply as my moral duty to the people.

Kiselev asks whether he thinks that there are politicians in Chechnya now who, as you said, are jostling with their competitors and are trying to exploit the political situation, and who are thirsty for power?

Zavgayev says that once again he thinks that it is amoral, in our situation, in the situation of the Chechen Republic, to play any kind of political games or ruses and to mislead people. Our people must be spoken to honestly and openly. If the roots of the tragedy are at issue, that must be spoken of openly, too.

Kiselev refers again to Khasbulatov: You and Ruslan Imranovich are undoubtedly divided by the events of 1991, I mean the events during which fighters of the national congress of the Chechen people, headed by Dudayev, broke up the supreme soviet of now former Chechen-Ingushetia and accused it of supporting the State Committee for the State of Emergency. You prefer not to talk about Khasbulatov's participation in these events. Kiselev asks why?

Zavgayev says that is probably not our problem. There are competent bodies and they are probably dealing with that. As far as he is concerned, he has always played a very important and positive role in Khasbulatov's fate whenever he could. Zavgayev says that in 1990, he helped him become a deputy, a people's deputy of the Russian Federation: Also in 1990 at the first congress of people's deputies, I literally put forward his candidacy. I said to Boris Nikolayevich: Take him as your first deputy. He is a well-trained and educated man, maybe a novice from the political point of view,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

but in combination with your experience that will make a good team. Maybe I was a bit of a maximalist then, but I was taking into account that for many decades representatives of the Chechen people, of the Ingush people, had not been admitted to power. When I became the first leader of the Chechen-Ingush republic, I may be mulling things over a bit, I am analyzing the past now, I tried to ensure that we were represented nationally in all the structures of power. This was my motive when I put Khasbulatov forward, and when I proposed Aslakhanov for the legislation committee. So I wanted the people to be known in a good way in the country.

Kiselev then asks whether Dudayev's supporters might attempt to disrupt the elections by force.

Zavgayev says: Sabotage. When we say that there are supporters of this person, there are supporters, opponents, willy-nilly we are reinforcing this state of affairs in people's consciousness. My understanding is different. For me there is the population, there are residents, there are the people of the Chechen Republic. Personally I do not know my opponents. I do not want to have opponents. I have not given any cause to have opponents. Of course maybe my position, someone may not like me as a person but I do not intend to enter conflict and will not do so.

Kiselev asks Zavgayev how he feels about Dudayev. Zavgayev says that he is looking entirely for compromise, including with Dudayev, compromise with anyone for the sake of the greater good.

Kiselev asks whether elections may not be held in some districts of Chechnya. Zavgayev replies: Well, I would not say today that elections won't take place in some districts. Problems may appear in some villages. These problems do exist. You might, therefore, ask me why you are holding the elections. We are holding them because, according to predictions, if elections are not held in one or two months the situation will not improve.

It will almost certainly get worse because there is no authority today, there is chaos today, no one is really governing the republic today. There are seven or eight different departments there, in that little country. We cannot govern in the way we should govern as there are no instruments of authority, from villages to towns, districts, and the republic. Therefore, if we hold the elections now, and we will definitely hold them, then we will have an instrument, an authority that will be able to introduce some order in our house, you might say.

Kiselev then asks whether Zavgayev fears that the elections will result in two powers in the republic, that of the elected head and that existing in districts that fail to take part in the elections.

Zavgayev says that no, there will be no situation of dual power. Our elections will take place on 17 December throughout the whole territory of the republic. I say again that if in some villages for some objective reasons they do not take place, well, the results will be determined by the majority of votes.

Kiselev says: Let us imagine a perhaps fantastic situation, that Dzhokhar Dudayev suddenly takes the decision to put forward his candidacy to be head of the republic. Zavgayev says that by all means, that is his right. On the subject of who can stand, our law says that any citizen of the Russian Federation, resident or former resident on the territory of the Chechen Republic can, and that is it, there are no restrictions, of course with the exception of those individuals who have been deprived of the right by a court. But all the rest can stand.

Kiselev asks Zavgayev his final question, on what status he envisages for Chechnya after the 17 December elections?

Zavgayev says that he has always envisaged and still holds the view that the Chechen Republic should have a special status, special status. This is first determined by what has happened in this republic, and he says that the country's president, Boris Nikolayevich Yeltsin, also thinks that this special status is necessary.

Volskiy Interviewed on Peace Talks

LD0212193395 Moscow Russian Public Television First Channel Network in Russian 1940 GMT 1 Dec 95

[Interview with Arkadiy Volskiy, deputy head of Russian Federation delegation to Chechen peace talks, by moderator Aleksandr Lyubimov; date and place not given—live or recorded; from the "Vzglyad" program]

[FBIS Translated Excerpt] [Lyubimov] My guest is one of the few people in the country who not only thinks about Chechnya, but also something about it, although he does not like to talk about it very often, the deputy head of our delegation for settling the conflict there, Arkadiy Volskiy.

Arkadiy Ivanovich, when we last met in this studio, there was a feeling of optimism. Anatoliy Kulikov, newly appointed minister, was also present, and we said that it was a time when something could happen. There was a feeling that, thank God, it was all over. But then there was Roshni-Chu. Then there was Sleptsovskaya village, and now it seems that everything is gloomy again.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Volskiy] Well, you know, it is gloomy and more than gloomy. I do not even know what words can be used here. But one must add to what you have said. Of course, Roshni-Chu did happen. But there was also the attempt on the life of Lobov, who only escaped with his life by a miracle. There was also the attempt on the life of the universally respected General Romanov. There was the attempt on the life of Mikhaylov. Therefore, one should look at everything together from these positions. Of course, the worst thing is that the party of war, as we said last time with Anatoliy Sergeyevich Kulikov, really does exist, it wants to continue the war.

[Lyubimov] From both sides?

[Volskiy] From both sides. The worst thing, which I shall never forget during my life, when we got to the limits at the talks there, after the murders of the Chepanov family, we very nearly wrecked the talks. And that night, the head of the Chechen delegation suddenly shouted in anger: Our Dudayev and your hawks have the same masters. This phrase does not leave us in peace, you know.

[Lyubimov] Perhaps you do not know who this is?

[Volskiy] It may be in their hearts, perhaps something else, I do not know. But I have something in me because, you know, after every incident, there is a response, and this in turn does not go unanswered, and so on. Thus, they brought weapons to Shali to hand them in. Our troops did not have the money to buy them; and they had brought a lot of weapons, including an artillery salvo weapon. The Chechens immediately raised a fuss: What is going on? You must buy them. The agreement is being violated, we'll quit the talks. Then our side starts. Look at all the fuss. A major from the military command there was very pleased at this. If there were more people like that on both sides, they would soon finish it off.

[Lyubimov] And what about the elections on 17 December? I do not mean our elections — that is understood — but the elections in Chechnya.

[Volskiy] It is interesting that you think everything is understood about our elections.

[Lyubimov] Well, nothing is likely to call off our elections.

[Volskiy] Yes, I quite agree with that. This is what I would like to say. My position is well known. I was opposed to combining these elections with the Russian elections. All the cameramen are rushing there. While 19 companies have applied for Russia, there are already over 30 applications for Chechnya.

[Lyubimov] Applications for accreditation?

[Volskiy] Applications for accreditation from television companies. They will all be waiting to see where polling booths will be set on fire, where there will be shootings, where there will be fights. Therefore, I say that we should not combine this day, particularly with the election of a leader. The election of a leader of the republic is a very complicated matter. Take Doku Zavgayev, for example. He is a man who is sufficiently respected in the republic, and I say this openly. He has collected 15,000 signatures. It would seem that everything is proceeding normally. Yesterday, it was announced that the supporters of Ruslan Khasbulatov had collected 26,000 signatures. Today is the last day for registration and Ruslan Imranovich has not declared that he has been registered. There is also talk about two mysterious contenders.

[Lyubimov] And Dudayev will not stand?

[Volskiy] Well, you know, Doku Zavgayev says that he would like Dudayev to take part in the elections. But for this, and I quote him and not myself, for this, the amnesty commission should declare an amnesty for him. But what sort of amnesty? This is some sort of black humor. What sort of amnesty when there is a Union-wide search going on for him? But I understand, he has been condemned there. I understand Basayev. I understand other things. But what sort of amnesty can there be when there is a search going on for him? Therefore, one can repeat many times that one would like him to participate; but of course, naturally, he will not participate.

[Lyubimov] Was Roshni-Chu really bombed because the military thought that Dudayev was there?

[Volskiy] Well, men who were quite high-ranking and well respected in Chechen military circles were killed as a result of that bombing, so I think that it is quite possible. I do not know, it is difficult to say whether Dudayev or Basayev were there. But it is a fact that there was a staff meeting there at the time. But that is not the point. The point is that when our Pavel Sergeyevich [Grachev] talks about high precision bombing weapons, one should carry out the bombing with precision. [passage omitted: Volskiy condemns all wars]

All wars end with peace. Even the hundred years war. Therefore, one must go along the path of talks. Yesterday, I and delegation head Vyacheslav Aleksandrovich Mikhaylov had a long session which lasted until nightfall with the OSCE [Organization for Security and Cooperation in Europe] delegation. I am very much afraid that the world public has gotten totally muddled and the OSCE has gotten muddled. At present, the leadership of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that organization is being transferred from the Hungarians to the Swiss, who know nothing at all about the situation. Yesterday we told them that there would be no international observers at the elections in Chechnya. We are not going to risk people's lives. We have concern for people, you understand. [They say:] We shall come and I say that we have concern for people. Do you not recall that aircraft in Kandahar? [passage omitted: Volskiy says that those who advocate fighting on to victory should talk to the Soldiers Mothers and to army conscripts]

Vorkuta Miners Allege Betrayal by Labor Unions

MM0412170295 Moscow SOVETSKAYA ROSSIYA in Russian 2 Dec 95 p 1

[Report by Zhanna Kasyanenko: "Don't Believe It!"]

[FBIS Translated Text] "We will still agree on a Russian national strike," our correspondent was told yesterday by Vladimir Potishnyy, member of Vorkuta Workers' Committee.

The cancellation of the general strike is viewed by Vorkuta miners as a maneuver by trade unions, which have reached an agreement with "Rosugol" officials behind the workers' backs.

Potishnyy gives an account of how events developed on the eve of the strike:

"The trade unions and the management met in the "Vorkuta-ugol" association's assembly hall.

"The officials said that 48 billion [rubles] of extrabudgetary money had been found to clear wage arrears. The workers' committee representatives and the laborers who were present there realized that the usual provocation was occurring.

"The purpose of the provocation is, by promising payment to the miners, to stop the strike at any cost, to prevent it, and thereby once again to "expose" us to the anger of the whole country and of our brother miners from other regions, who have been waiting for our signal and who have also been preparing themselves. Now we will look to them like the worst kind of self-seekers who hold their own wages dearer than workers' solidarity. I say to everybody who reads these lines: 'Guys, don't believe it, the trade unions have betrayed us. Everybody in Vorkuta now realizes that this government must be kicked out instead of asking it for handouts.' I am conveying to you the opinion from the pits, which are now seething despite the fact that the strike has been prohibited by the trade unions. We will still agree on a Russian national strike. We still do not trust the government an inch!"

Yes, miner Potishnyy argues firmly but fairly, as the saying goes. In fact, one gets the impression that both the Federation of Independent Trade Unions and the Independent Union of Miners are acting not in defense of miners but in defense of the government and that they consider that their main task is to suppress a politically oriented workers' movement. You will recall how the national miners' strike went in March this year. Then workers' committees demanded that political demands be made. Yes, under the law a trade union does not have the right to put forward political slogans. But there is in fact room for maneuver if you are really at one with the workers. There are workers, strike committees — so give them the initiative, they will have their say! No, a game is simply being played with the workers' movement. But somebody is playing with fire.

The position of "Rosugol," which one way and another reflects the general government trend, is no longer surprising. The trend is that at a critical moment, on the verge of an explosion, the government suddenly discovers some hidden money which was previously nowhere to be found. A kind of financial "rabbit out of a hat." That was the case with the billions for the agrarian sector and the same has already happened with the miners several times. True, at the required moment this "rabbit" has the ability to shoot both agrarians and miners. What a fine excuse to tell physicians, for example, that their money has been gobbled up by the peasants and to tell teachers to blame miners. Two birds are being killed with one stone: People are being set against each other and the blame is being shifted onto somebody else, and a strike is being prevented from breaking out. Where will it all end?

Primorye 'Knows Nothing' of Border Areas' Surrender

LD0512115695 Moscow INTERFAX in English 1123 GMT 5 Dec 95

[FBIS Transcribed Text] VLADIVOSTOK, Dec 5 (INTERFAX-Eurasia) — The administration of Primorye territory knows nothing of the surrender of a number of areas on the Russian-Chinese border to China under the 1991 border agreement, the acting head of the administration Valentin Dubinin told INTERFAX following recent reports that such a surrender has taken place.

Dubinin is now in charge as Governor Yevgeniy Nazdratenko is on leave preparing for the Dec. 17 local elections.

Dubinin was surprised by the reports and called them inaccurate. He said a document on the surrender of land

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

should be signed by the head of the local administration but "we have not signed anything yet".

According to Dubinin, the matter is being negotiated and the federal authorities play the main role in the talks.

The acting governor felt that if the federal government gives appropriate instructions, the territory will have to sign the document even though it is opposed to the surrender.

Economic Issues

Yeltsin Edict on Support for Exporters

MM0512121795 Moscow ROSSIYSKAYA GAZETA in Russian 5 Dec 95 p 3

["Edict of the Russian Federation President on Priority Measures for the Support of Exporters," No. 1204, signed by Russian Federation President B. Yeltsin and dated 30 November 1995]

[FBIS Translated Text] With a view to supporting the country's industry and developing exports, I decree:

1. The Russian Federation Government is to abolish export customs duties as from 1 December 1995 on the majority of types of petroleum processing products and individual types of output from the timber industry complex, and as from 1 January 1996 on all commodity groups except for petroleum, gas, and certain other raw material goods, for which the rates of export customs duties must be reduced.

The Russian Federation Government is to adopt measures to compensate for the falling federal budget revenue.

2. It is stipulated that in the first half of 1996 the average monthly increase in prices of output and services provided by natural monopolies, including natural gas for industrial needs, tariffs for electricity and thermal power for industrial enterprises, railroad freight shipment tariffs, and tariffs for the pumping, handling, and delivery [naliv] of petroleum and petroleum products should not exceed the monthly increase in the index of prices of industrial output.

The Russian Federation Government is to make the corresponding amendments to the pricing procedure in natural monopoly sectors by 20 December 1995.

3. Attaching paramount significance to support for the export of highly processed output, it is deemed necessary to formulate a package of measures of state assistance to the country's producers of this output, with the use of federal budget funds among others, with provision being made for the use of mechanisms for provision of credit for exports, export credit insurance, and the provision of state guarantees. The Russian Federation Government is to define by 15 December 1995 a procedure for granting state support to exporters of industrial output.

The Russian Federation Government is to complete work on the Federal Export Development Program by the end of 1995.

4. The present Edict enters into force from the date of signing.

Russian Federation President
B. Yeltsin Moscow, Kremlin 30 November 1991 No. 1204

Economics Minister's News Conference Reported

MK0512115295 Moscow SEGODNYA in Russian 2 Dec 95 p 1

[Report by Aleksandr Bekker: "Government Unafraid of Left-Wing Parliament"]

[FBIS Translated Text] Yesterday's news conference by Economics Minister Yevgeniy Yasin contained two messages. First, it is very important for the government that the State Duma approve on second reading 6 December the draft federal budget. In principle, it is in the bag: The draft law has passed first reading. This means that the key parameters remain intact: the monthly inflation target rate (under 2 percent), budget deficit in proportion to GDP (under 5 percent), and the condition that the deficit is to be covered without issuing Central Bank credits to the government. The Chernomyrdin cabinet seemed to have been prepared to resign rather than yield on these matters.

Second, voting for the budget on first reading, the deputies equally shared with the [Russian] White House responsibility for the country's economic condition. It is hard to blame everything on the executive branch now that the tough fiscal policy has been approved by the votes of people's deputies.

Mr. Yasin was frank at the news conference on what a struggle it had been to prepare the 1996 draft budget for second reading. The deputies were passing tax laws that were making multitrillion holes in the budget revenue, already agreed on first reading. They proposed so many additional budgetary expenditures that they inflated the approved deficit to the bursting point. The government did make concessions because digging your heels in is no alternative. To pass the budget before 1 January 1996, according to Mr. Yasin, was so important for the government that it was seeking compromise on every item in the budget.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The minister of the economy was asked if the future, 6th Duma, which may move sharply to the left, can abolish the present State Duma's decisions, in particular, the 1996 budget law. Mr. Yasin said he was not quite convinced that the lower house was going to be so reactionary as to kill the passed laws right and left. Even supposing that a set of deputies not very palatable to the government is going to be elected, everybody, regardless of party allegiance or economic views, will face an important circumstance. The people are growing accustomed to falling inflation and new price hikes will hardly arouse enthusiasm. It is rather dangerous for politicians to take drastic steps stimulating inflation. "It is of course unpopular to refuse money to enterprises, but it is even less popular to speed up the growth of prices," Mr. Yasin said.

First Deputy Finance Minister Optimistic Over Budget

LD0412224395 Moscow ITAR-TASS World Service in Russian 1609 GMT 4 Dec 95

[By ITAR-TASS correspondent Konstantin Savvin]

[FBIS Translated Text] Moscow, 4 Dec — If the State Duma fails to approve the budget before 12 December, then the decision of that question will be postponed until June next year, First Deputy Finance Minister Vladimir Petrov believes.

Speaking at a news conference in Moscow today, he said that the draft budget for 1996 in the second reading is expected to be examined at a State Duma plenary session on 6 December. The main conflict at the Duma has arisen between the agrarian faction and the Budget Committee.

This year the level of funding in budget expenditure in Russia will be quite high for the first time. The country is reaching world standards in that sphere, the first deputy finance minister said. By the end of 1995, according to the estimates, "there will be enough money to cover 95 percent of expenditure." Thus, the budget will be fulfilled to a considerable degree.

He said the process of stabilization compared with the forecasts for 1995 "has speeded up somewhat, by about three to four months." In addition, the level of inflation has turned out to be higher than envisaged when the budget was drawn up. As a result, thanks to the stabilization of the tax revenue, it is now possible to send part of the revenue in currency not to the reserves, but for the funding of our economy, in particular for covering "some of the parts of the budget deficit." In addition, considerable funds are coming in from the monetary stage of privatization. In December, monetary privatization will yield R [rubles] 2.9 billion. This considerable sum will enable us to tackle problems relating to the budget.

Speaking about expenditure priorities at the end of the year, Vladimir Petrov said that the Pension Fund will receive R5.8 billion. That gave us the opportunity to pay off our debts to the pensioners at the end of November. "In December, and in later months of 1996 we definitely intend to continue that tendency and if necessary to give assistance to the Pension Fund from the budget," Petrov said.

As he noted, wage arrears have now been paid off in the socio-cultural sphere, including grant and subsidy arrears for students and their food. However, budget debts in the social sphere have not yet been repaid. There are still debts to pay for municipal services, heating, electricity, and repair works.

Speaking about the repayment of commodity loans for the agro-industrial complex, Petrov said that the main task is for enterprises of the complex to set up emergency reserves of seed immediately, to purchase the necessary amount of fertilizer and equipment. The main task is to begin the sowing campaign smoothly. Debts for commodities are currently running at R4.4 billion.

Chubays: 1995 To Be First Year of Economic Growth

LD0412181795 Moscow ITAR-TASS in English 1602 GMT 4 Dec 95

[By Tamara Zamyatina]

[FBIS Transcribed Text] MOSCOW, December 4 (Itar-Tass) — "A 60 percent decline in the budget deficit as against 1994, a sharp decrease in inflation, conclusion of an agreement with the International Monetary Fund and abolition of privileges to special exporters" are, in the opinion of First Vice-Premier Anatoliy Chubays, the main financial results of 1995.

Speaking at a meeting with editors-in-chief of the leading mass media at Itar-Tass, Chubays said on Monday that government measures of financial stabilisation "will help to make 1995 the first year of economic growth since the start of reforms."

The vice-premier noted that "inflation over the past four months does not exceed five percent as compared with 18 per cent last January," despite the fact that all the summer passed "in fear for an autumn explosion of inflation."

Since the main difficulties have been passed, Chubays frankly admitted that there was a threat at the start of the year "to stop the rouble's exchange for hard

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

currency, since the Central Bank was forced to sell 250-300 million U.S. dollars daily to support the rouble."

"I had a draft of a presidential decree on the rouble's devaluation in my computer," Chubays confessed. In the vice-president's opinion, "efforts of the former acting chairman of the Central Bank Tatyana Paramonova helped to contain the situation at the last line."

According to Chubays, "it was possible to quash inflation expectations through the introduction of a currency corridor and by a drastic attack on enterprises to collect taxes, including on the Gazprom (monopoly producer and carrier of gas in Russia)."

As a result, "the status of the national currency radically changed and the rouble's real rate rose by 60 percent during the year," he noted.

According to the vice-premier's information, "the world financial community was staggered that Russia has not violated a single time the joint statement of the government and the Central Bank over the past 11 months."

Under these conditions, Chubays is convinced, Russia may count on credits of the International Monetary Fund and admission to the Paris Club and to European currency markets with the adoption of the 1996 budget.

Chubays admitted with regret at the same time that "the cunning feature of the financial year is that the year has no direct political influence before the State Duma (Russian parliament lower house) elections, an effect which would have an impact on each particular man, while the negative part of the year's results, above all the problem of non-payments, has a direct political effect."

However, the present year made it possible to create additionally 25 million jobs from the macroeconomic point of view and to create prerequisites for stable economic development over the next few years.

"Entering the year 1995 with falling production, we go out of it with a checked slump," the vice-premier emphasised.

Decree on Changes in Some Export Duties

964E0251B Moscow ROSSIYSKAYA GAZETA in Russian 21 Nov 95 p 4

[Russian Federation Government Decree No. 1064, dated 2 November 1995, Moscow: "On Partial Amendment of Rates of Export Custom Duties"]

[FBIS Translated Text] For the purpose of ensuring the interests of domestic producers, stimulating exports, and implementing measures of timely regulation of foreign economic activities, as well as in keeping with the president of the Russian Federation's Edict No. 890, dated 31 August 1995, "On Export-Stimulating Measures," the Government of the Russian Federation decrees:

1. The Cabinet of Ministers-Russian Federation Government Decree No. 1103, dated 30 October 1993 (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1993, No. 45, p. 4340) and Russian Federation Government Decree No. 858, dated 31 August 1995 (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1995, No. 37, p. 3607), shall be partially amended, and export customs duty rates as per Appendix 1 (Footnote 1) (Not published) shall be set and applied beginning 1 September, and export customs duty rates, as per Appendix 2 (Footnote 2) (Not published), shall be set and applied beginning 20 October.

2. Russian Federation Government Decree No. 177, dated 7 February 1995, "On Partial Changes in Export Customs Duty Rates and the List of Commodities Approved by Cabinet of Ministers-Russian Federation Government Decree No. 1103, dated 30 October 1993, 'On Approving Export Customs Duty Rates and the List of Commodities To Which They Apply'" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1995, No. 7, p. 546) shall hereby be declared void.

[Signed] Chairman of the Russian Federation Government V. Chernomyrdin

Defense Lobby Attacks Loans-for-Shares Scheme

MK0512101495 Moscow NEZAVISIMAYA GAZETA in Russian 2 Dec 95 p 2

[Report by Grigoriy Nekhoroshev: "Passions Over the State Property Committee. The 'Loans-for-Shares' Program Has Proven Ill-Conceived"]

[FBIS Translated Excerpt] [passage omitted] During the September-October 1993 crisis I had occasion to see in the RSFSR Supreme Soviet building representatives of defense enterprises, who fervently supported Ruslan Khasbulatov. I met some of them on 24 November at the parliamentary hearings "On Administering the Property of the Russian Federation Military-Industrial Complex," which were held by the Federation Council Committees on Security and Defense and on Economic Reform, Ownership, and Property Relations. These hearings were also organized in conjunction with the "loans-for-shares" program and the "across-the-board," misguided privatization that the State Property Committee [GKI] forced on the military-industrial complex.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The main accusation against this department is the reckless, financially unsubstantiated, hectic activity over matters related to corporatization, especially in conducting "loans-for-shares" auctions. It is not difficult to understand the defense enterprise directors: The GKI has evaluated 25 percent of the shares of the OKB Sukhoy joint-stock company at a mere $12.5 million! One Su-27 fighter costs twice that sum. Thirty-eight percent of the shares of the Ulan-Ude Aviation Production Association, which produces Ka-50 and Ka-52 helicopters, were priced even lower (it was with great difficulty that auctions with such reserve prices were postponed for the time being). Anatoliy Dolgolaptev, deputy chairman of the Federation Council, who conducted these hearings and stated in the end that "there is a real threat to the existence of the state," is in no position to make statements like those by Mr. Vinogradov, but he has behind him the real force of the "Trade Unions and Industrialists of Russia-Union of Labor" electoral association, which included him in their list as a leader. And if the government seriously intends to work with the future parliament, it should probably listen to these complaints against the GKI.

One participant in the hearings told your NEZAVISIMAYA GAZETA commentator that, although defense enterprise directors read a "malicious intent" in the GKI's present policy, people at Goskomvooruzheniye [State Committee for Armaments] assess the ongoing developments as incompetence. A little later Vitaliy Malkin, representative of the "Rossiyskiy Kredit" bank, described the scandals over the "loans-for-shares" auctions as "major mistakes on the part of the GKI." The day before yesterday Georgiy Satarov, the president's political adviser, described the situation as a "primitive absence of normal technology for the state to delegate some of its functions or resources to nonstate structures. The problem is that this is done either arbitrarily; by favoritism, trust, and therefore without selfishness; or through graft." The main problem, according to him, is that "there are no transparent competitive procedures."

"There must be no hurry. Auctions should be held not amidst pre-electoral fervor, but in one or two years, when the mechanisms are better defined," Sergey Ivanenko, deputy chairman of the State Duma's Privatization Committee, told the weekly KAPITAL.

Agrarians Press For More Funds; Nazarchuk Cited

MK0512115495 Moscow SEGODNYA in Russian 2 Dec 95 p 2

[Report by Svetlana Lolayeva: "Agrarians Are Insisting on More Funds for Agro-Industrial Complex"]

[FBIS Translated Excerpt] [passage omitted] Agriculture and Food Minister Aleksandr Nazarchuk stated during yesterday's telephone conference that an agreement had already been reached with the government to increase budget funds for agriculture to 5 percent from 3.2 percent. Thus, according to Mr. Nazarchuk, budget expenditure for the agro-industrial complex will amount in 1996 to about 22 trillion [rubles]. Aleksandr Nazarchuk's statement, however, contradicts the figures in the [draft] budget, which the Duma is going to consider on second reading 6 December. According to the budget committee's decisions, agro-industrial expenditure will be increased by 1.5 trillion, which, together with the 13 trillion originally planned in the draft budget and the 1.5 trillion added in the course of bargaining on first reading, makes it total 15 trillion. The minister must be taking the desirable (22 trillion features in the estimates of the committee on agricultural questions) for the real. The Agrarians may be expecting to force the government's hand as the budget goes on second reading, which, however, is improbable. We know that it is the Duma rather than the government that turned down, during first reading of the budget, Agrarian leader Mikhail Lapshin's amendment aimed at increasing funds for the agro-industrial complex by 5 percent.

The Agrarians' stand on the budget, as the Duma faction repeatedly stressed, will depend on the signing by the president of the law "On State Regulation of Agricultural Production." The president rejected this law yesterday, however, noting that he saw no possibility for further working on its text since "besides contradicting the Constitution and the Civil Code, it cannot be a law due to its contents because it consists of many declarations without implementation mechanisms, not legal norms."

This yet another failure of the agrarian lobby (their previous major failure was the Land Code, which the State Duma rejected twice on second reading) will perhaps make them less cooperative when they vote on the 1996 budget again. The government may have to do more than promise to add 1.5 trillion for agriculture out of the funds it intends to receive through a doubtful improvement of tax collection.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Currency Band Extension, Export Support Welcomed

MM0412105995 Moscow ROSSIYSKAYA GAZETA in Russian 2 Dec 95 pp 1, 3

["Topic of the Day" article by Aleksandr Velichenkov and Maksim Zarezin: "Ruble and Dollar at the Beginning of Winter. Central Bank of Russia Announces Limit on Currency Band in First Half of 1996"]

[FBIS Translated Text] The last day of November was crammed with various fundamental decisions for our economy. Exporters hobbled by the currency rate were given something of a breather in the form of a presidential edict on support for them, and also a clear perspective in the currency rate. They now have a clear picture of this situation — by 1 July 1996 the dollar rate will not have exceeded 5,150 rubles [R]. This is virtually what we had in May this year — R5,130 to the dollar. The lower limit is set at R4,550.

Now Russian exporters can lay aside slogans and calls to the government for changes in rate policy and puzzle over domestic problems such as labor productivity, costs, overheads.

The tendency toward a rising dollar, inherent in the parameters of the new band, is some compensation for our exporters. Nonetheless, a presidential edict has appeared which lays down priority measures to support Russian exporters.

The clear guidelines for importers not only enable them to conduct larger transactions but also mean they do not have to guard against unpleasant surprises whereby ruble earnings are converted into dollars at an excessive rate.

The correlation between the currency rate and inflation in the outgoing year has led to a 70-percent increase in the real ruble rate — so said A. Potemkin, director of the Russian Central Bank international transactions department.

It is pretty clear that the currency band will suppress domestic inflation. There will be no room for price increases because of import competition. But this gives rise to new problems. The first is the decline in the favorable trade balance. This process has been taking place since August. With an expensive ruble it is very easy to buy anything you want. The second is the budget. If the band stays, the average annual rate may not exceed R5,000 to the dollar. But the budget states R5,500, even though it has not been adopted yet, and it may still be possible to adjust it somewhat, but this would lead to a reduction in expenditure items.

The president's edict also sets a limit on the rise in the cost of commodities and services in sectors relating to natural monopolies. In the new year railroad charges and electricity, oil, and gas prices for industrial enterprises are not to exceed the level of monthly inflation. The October decision fixing charges until 1 January 1996 was extremely tough, but not such an effective measure, so a more elastic regulation system has now been adopted.

The stable economic situation has also made it possible to reduce the Central Bank refinancing rate by 10 percent to 160 percent annually. The government and the Bank of Russia realize that this level is still very high, but in this situation you have to be exceedingly cautious. The cost of budget loans is falling accordingly, giving enterprises easier access to financial resources. It is worth noting that the foundation of state credit and monetary policy for next year is currently being laid — which is another reason for banking on its success.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Affairs

Reportage on President Kuchma's Visit to China

Kuchma: More Chinese Investment Needed

LD0412184795 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 4 Dec 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma believes that Ukraine and China have every possibility of bringing the annual trade turnover between their countries to $2-3 billion by the end of the century. He made this prediction — which, according to him, the Chinese side also shares — at a news conference today on the results of the joint summit talks. To date, trade turnover between the two countries comes to approximately $500 million. After Russia, China is Ukraine's second partner by volume of trade turnover.

In Leonid Kuchma's opinion, there are broad prospects for efficient cooperation in such areas as metallurgy, the chemical industry, power engineering, shipbuilding, aircraft building, agriculture, and the space industry.

The Ukrainian president spoke in favor of increasing Chinese investment in the Ukrainian economy. Some 56 operational joint enterprises are evidently insufficient, he noted. There are no differences between Ukraine and China, Leonid Kuchma stated. Ukraine is interested in such a partner, to whose voice the whole world listens.

Replying to questions from Ukrainian correspondents, President Jiang Zemin expressed support for the coordination of international efforts to eliminate the aftereffects of the Chernobyl nuclear power station disaster. He views optimistically the development of cooperation in peaceful space development. The fact that Leonid Kuchma is a specialist in this area adds to his certainty, Jiang Z,min stressed.

On the same day, Ukrainian President Leonid Kuchma visited the Ukrainian Embassy in China. An official dinner was hosted by Chinese President Jiang Zemin in honor of the Ukrainian president and his wife.

Kuchma Address on Economic Policy

LD0412205695 Moscow INTERFAX in English 1904 GMT 4 Dec 95

[FBIS Transcribed Text] BEIJING, Dec 4 (Interfax - Ukraine) — Ukrainian President Leonid Kuchma said on Monday his nation's main foreign policy objective was to build relations with other countries that help Ukraine carry out internal reforms and integrate into the world economy.

"Effectively this means economic reorientation of the foreign policy of the Ukrainian state," Kuchma, currently on a visit to China, told students at Beijing's Diplomacy Institute.

He said the Commonwealth of Independent States (CIS) was the main area for Ukraine's foreign economic activity. "The importance of active cooperation with CIS countries is explained by the need to overcome the negative consequences of the rapid and large-scale severance of economic links during the disintegration of the USSR," he said.

However, "unilateral political orientation" has serious negative aspects, so there is a need "to diversify the foreign policy links of Ukraine."

It is also Ukraine's principle that "the development of NATO must not lead to the revival of a dangerous military and political confrontation." said Kuchma, adding "we take a similar attitude to Russia's foreign policy strategy. Ukraine is a nonbloc state, and we do not want it to become a sanitary cordon between new competing blocs."

China is "the main and particularly promising partner for Ukraine" in the Asia-Pacific Region, the president went on. He urged Chinese businesses to make more extensive use of Ukraine's achievements in such fields as cybernetics, materiology, welding and rocket technology.

Ukrainian-Chinese Outer Space Cooperation

LD0412213795 Moscow INTERFAX in English 1922 GMT 4 Dec 95

[FBIS Transcribed Text] BEIJING, Dec 4 (Interfax - Ukraine) — The Ukrainian - Chinese agreement on cooperation in the field of peaceful uses of the outer space, which was signed on December 4 in Beijing, covers the whole complex of work in this field, Oleksandr Negoda, Chief of the Ukrainian National Space Agency, said in an interview with Interfax - Ukraine in Beijing.

The sides adopted a decision to create a standing committee to coordinate actions which is to meet at least once a quarter. One of large Chinese companies is to open its office in Ukraine, which will, among other things attend to problems of outer space cooperation.

Contacts among experts, holding of joint seminars and conferences are envisaged under the agreement. Thus, according to O.Negoda, the Ukrainian agency is preparing a Ukrainian-Chinese seminar on outer space exploration scheduled for 1996.

A group of Chinese children, members of the "Young Cosmonauts" organization, are to take a rest in the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ukrainian children's rest and recreation camp "Artek" (Crimea) in the same year.

The Ukrainian National Outer Space Agency is currently preparing a new draft space programme, which, according to O.Negoda, may be adopted in the first half of 1996. The agency has also prepared a bill "Of Outer Space Activities" to be examined in Parliament.

China To Intervene in Reducing UN Debt

LD0512114995 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 5 Dec 95

[FBIS Translated Text] Ukraine has asked China to assist in the resolution of the issue of reducing its debt to the United Nations for peacekeeping operations. Foreign Affairs Minister Hennadiy Udovenko told Ukrainian journalists accompanying Ukrainian President Leonid Kuchma on his visit to China that a corresponding letter had been passed to the Chinese side during the talks on 4 December. He emphasized that the issue was not only about Ukraine's debt for 1991-95, but also part of the former USSR's debt.

Udovenko-Led Team Discusses Cooperation in South Korea

AU0412204195 Kiev HOLOS UKRAYINY in Ukrainian 1 Dec 95 p 1

[Unattributed report: "Project Is Half-Done Business"]

[FBIS Translated Text] Ukraine's Foreign Minister Hennadiy Udovenko and members of the governmental delegation that is currently paying an official visit to the Republic of Korea discussed ways of further cooperation with leaders of the "Hyundai" Corporation and the "LG-Goldstar" Company.

As the INTERFAX-UKRAYINA Agency was told by the Press Service of Ukraine's Defense Ministry, during the meeting at the "Hyundai," the Ukrainian side proposed concrete projects for cooperation in the spheres of mechanical engineering and shipbuilding.

An accord was reached on a visit to Ukraine, in the near future, by the corporation's specialists.

Pak Su Van [name as transliterated], president of the "LG-Goldstar" Company, expressed readiness to cooperate in the sphere of oil extraction from the Black Sea Shelf, gold mining in Ukraine, joint manufacture of television sets, equipment for chemical and petrochemical industry, modernization of telecommunication systems, and so on.

The company also expressed interest in cooperation in manufacturing equipment for space studies.

Pinzenik Opposes CIS Customs Union

MK0512115595 Moscow NEZAVISIMAYA GAZETA in Russian 5 Dec 95 p 3

[Interview with Deputy Prime Minister Viktor Pinzenik by Viktor Timoshenko under the "Ukraine" rubric: "Viktor Pinzenik Favors Fostering Relations With Russia. 'Ukrainian Gaydar' Is Opposed to Customs Union" — on 2 or 3 December in Moscow; first paragraph is introduction]

[FBIS Translated Excerpt] A scientific conference organized by the Institute of the Economic Problems of the Transition Period, entitled "Post-Communist Transformation: The Experience of Five Years," was held in Moscow on 2-3 December. Ukrainian Deputy Prime Minister Viktor Pinzenik, who attended the conference, granted an interview to your NEZAVISIMAYA GAZETA correspondent. [passage omitted]

[Timoshenko] Viktor Mikhaylovich, what is your attitude to the Russian initiative on setting up a CIS customs union?

[Pinzenik] There is no need for a customs union. If there have been any problems, they have been resolved. What a boost Ukraine has given this year to the development of mutually advantageous trade and economic relations! We have made the karbovanets convertible and lifted export restrictions. But there have been no reciprocal actions by Russia, apart from the idea of setting up a customs union, which is little substantiated economically.

[Timoshenko] It is said in Ukraine: We do not need a customs union, what we need are free economic zones. What is your personal attitude to this question?

[Pinzenik] A free trade regime has already been introduced by Ukraine both de jure and de facto. In this country the state does not regulate exports. There are no export or import duties. I agree that customs formalities should be simplified, but should yet another cumbersome bureaucratic structure be set up for this purpose? I think that bilateral actions will be sufficient.

[Timoshenko] Russian Economy Minister Yevgeniy Yasin recently said that economic transformations in Russia have created a reliable foundation that will prevent the country from automatically sliding into the past regardless of the change of political leaders and ruling political elites. To what extent does Ukraine's economic development guarantee at this stage that there will no such reversal in Ukraine in any form?

[Pinzenik] I think that attempts to restore the old system are doomed. Of course, neither Russia nor Ukraine is immune to a turn of events whereby politicians come

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to power — as a result of, let's say, legitimate political struggle — who may try to reverse the current economic policies. But this is clearly impossible, both politically and economically.

[Timoshenko] Will Ukraine follow in Russia's footsteps in terms of introducing a currency corridor?

[Pinzenik] We do not deny that the currency corridor has had a positive influence on the development of the Russian economy. But in our view, there is a better way of resolving this problem. This is the tight pegging of a national currency's exchange rate to, let's say, the U.S. dollar. But for this to be done favorable conditions should be created to encourage foreign and domestic investment in production.

[Timoshenko] Will the Supreme Council adopt the Ukrainian Constitution any time soon? It is well known that this was one of the conditions for Ukraine's joining the Council of Europe.

[Pinzenik] I think that the current Supreme Council is unlikely to vote for a new Ukrainian Constitution. It is necessary to look for a compromise in discussions on the proposed draft that the parliament will approve. Afterwards, I think the text of the Constitution will be put to a referendum.

[Timoshenko] Do you consider yourself one of the reasonable politicians who think that the signing of a wide-ranging treaty between Ukraine and Russia can no longer be put off...

[Pinzenik] Of course, the signing of a treaty would have immense political importance and a positive impact on economic relations between Russia and Ukraine. Both states are interested in overcoming the barriers that have been artificially created by certain forces in both states. I unequivocally favor signing a treaty between our countries. [passage omitted]

Sevastopol's Yermakov Argues for Slav Unity

MM0412122095 Moscow KRASNAYA ZVEZDA in Russian 1 Dec 95 p 2

[Interview with Colonel Ivan Yermakov, leader of the "Prosperity in Unity League" public association, by Yaroslav Knyazev in Sevastopol, under the rubric "Readers Request"; date not given: "The Attraction of the Idea of Unification of the Slav States Will Increase" — first paragraph is introduction]

[FBIS Translated Text] Our newspaper has already reported the formation in Sevastopol of the public association the "Prosperity in Unity League" ["Soyuz — Protsvetaniye v Yedinstve"], which advocates the integration of Russia, Ukraine, and Belarus, up to and including their unification into a single Union of Slav States. Its head is Colonel Ivan Yermakov, former mayor of Sevastopol. KRASNAYA ZVEZDA's editorial office is receiving letters requesting a more detailed account of this "League" and of Yermakov himself.

[Knyazev] Ivan Fedosovich, you were one of the first military men to be leader of a city, and a hero city at that....

[Yermakov] It is true that not many city mayors have been military men. Although officers, generals, and admirals have been elected to other posts. In Sevastopol, for instance, Rear Admiral I.S. Rudnev was elected first secretary of Leninskiy party raykom [rayon committee] in the sixties. Later he became chief of the Black Sea Fleet Political Directorate. And now, for instance, the head of administration of Gagarinskiy Rayon in our city is Captain 1st Rank Viktor Ivanovich Kiryunnikov. No doubt there have been military men in leading posts in other cities too. All this, in my view, is a perfectly normal phenomenon.

[Knyazev] It is one thing to be leader of a rayon, quite another to be leader of a city of half a million, especially one like Sevastopol.

[Yermakov] To be honest, I was not looking for it. It just turned out that way. I was director of a military plant under Union jurisdiction, the collective nominated me as a city soviet deputy, and the citizens elected me. Then, at a session, they invited me to run for chairman of the soviet executive committee. Out of five contenders, they put their trust in me.

Was it difficult? That's not the word. The Soviet Union broke up and chaos began. Sevastopol, that city of Russian glory, suddenly became an outcast from Russia, yet it did not really belong to Ukraine. This caused a sharply negative reaction among the people of Sevastopol, some 80 percent of whom are Russians. Movements, parties, and communities sprang up and started the struggle for the affiliation of Sevastopol and Crimea to Russia. Obviously, the leadership of Ukraine did not like that. There was economic pressure on the city from Kiev. It was necessary to work day and night to ensure the city's survival.

And so it went on. Sevastopol gradually became a "hot spot." The division of the fleet began, and politicians began to pour in from practically every CIS country for their share of the political "pie." There were daily pickets and rallies, attempts to tear down the Ukrainian state flag from City Hall, and much else. All this disturbed people again and hampered work. By then I was a representative of the Ukrainian president and head

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of the city's state administration. Even the title of the post provoked a negative attitude in many people But since I was opposed to the forcible Ukrainianization of Sevastopol, Kiev also began to find me troublesome.

[Knyazev] Nonetheless, President Kravchuk put up with you for three years, until you came out openly against his policy on Sevastopol.

[Yermakov] I was voicing the interests of hundreds of thousands of people. I am actually proud of being removed by Kravchuk for wanting integration with Russia and a union of Ukraine, Russia, and Belarus.

[Knyazev] Ivan Fedosovich, what brought you, and those who share your views, to the idea of forming the "League"?

[Yermakov] We formed the "League" purely on the basis of ideological convictions. Following the breakup of the USSR, the unification of the Slav states of the former USSR has become the purpose of my whole life.

The main objective of organizing the "Prosperity in Unity League" is to unite the peoples of three Slav states: Russia, Ukraine, and Belarus. To create a single economic, customs, and visa-free area in a single spiritual and cultural atmosphere based on the national characteristics of the Slav states. Slavs should live as just one united family. We have the same roots, the same blood, we are children of the same mother — Great Kievan Rus. But we want everyone who lives with us today to be part of our family: Muslims, Jews.... There is room for everyone. All that is needed is accord.

[Knyazev] Why do you think that accord does not exist at present?

[Yermakov] It does exist among the people. Inside, so to speak, in day-to-day life. But for a long time there has been strong pressure on people from above. Look at what is happening! If I go back home, to Belarus, at the border they search me, humiliate me, turn everything inside out, as if I was an enemy of the people. And it is done crudely, offensively.... I am categorically opposed to customs, anyway. There should be no customs barriers between three Slav states which have very strong kinship ties. Belarus has already set an example of how to overcome this situation. Ukraine is currently marking time.

[Knyazev] But many of the Ukrainian mass media are pushing the view that the people of Ukraine do not want the old unity at all....

[Yermakov] That view is being pushed very persistently. There were even figures published in the press from the national academy of sciences to the effect that only 27 percent of the inhabitants of Ukraine are in favor of unification. I think these figures are fabricated, they do not express people's interests. It was a case of fulfilling someone's orders. Not everyone agrees with reviving the USSR in its old form, but that is another matter. And indeed, there is no need for it, there are other forms of integration.

[Knyazev] Whose orders are they? Kuchma, for instance, is in favor of rapprochement with Russia, and he became president on the strength of that idea.

[Yermakov] I have a high opinion of President Leonid Kuchma, but I was very upset by the fact that on a recent visit to our city he only visited a Ukrainian Navy ship, he did not even appear before the people — the majority of whom, after all, voted for him — and did not meet with the city's inhabitants. Evidently whoever planned the visit did not present a very realistic picture of the situation. The majority of the people of Sevastopol see the president of Ukraine as their defender, someone who shares their views. And they wanted to hear good things about the city, the people....

In whose interest is it to manipulate public opinion? First and foremost, I believe, the right-wing nationalist forces. I believe the true will of the people of Ukraine was expressed by [17th century Ukrainian] Hetman Bohdan Khmelnytskyy. It is to his credit that, having formed an alliance with Russia, Ukraine was preserved as a unified state. You know from history how they tried to tear it apart — the Austro-Hungarians, the Poles, the Romanians.... They were all tempted by the rich land and the advantageous strategic position....

[Knyazev] For some reason, travelers from Kiev have recently been keeping quiet about this history....

[Yermakov] There is no shortage of travelers from either side. But look what happens. State Duma Deputy K. Zatulin, for instance, arrives from Moscow. Supporters of the "Russian idea" assemble. They talk to their hearts' content.... That is all very well, but what practical results come out of it for the city? None. Only heightened feelings among one group of Sevastopol's inhabitants, and by no means positive feelings. N. Karmazin, a Supreme Council deputy from Kiev, comes. Supporters of the opposite idea assemble, and announce supposedly statesmanlike decisions on Sevastopol's problems. The deputy leaves, but the problems remain....

What I would like is for statesmen to come to Sevastopol not just to talk (we do more than enough of that ourselves), but to tackle practical tasks. Look what is happening! The city is dying! There is mass migration of the population to the near and far abroad. Last year, for instance, more than 5,000 people left the city. Numbers are also being reduced as a result of the sharp

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

increase in mortality and the reduction in the birth rate! One in every three city inhabitants of working age is not working, is on unpaid leave or working a shortened working week.... People are in despair, the food on the market is the most expensive in Crimea and in Ukraine. But the pensioners suffer most, and we have more than 100,000 of them. They live on bread and water and walk about in worn-out clothes — wearing the order ribbons of participants in the defense and liberation of Sevastopol. Hopelessness shows in their faces.... If the travelers could tackle these problems! Then I would pay them due homage.

[Knyazev] What is your "League," what does it do?

[Yermakov] The "League" is headed by a board which includes leaders of major enterprises, well-known businessmen, and scientists.

We help people. Incidentally, the world famous Hero of the Soviet Union Colonel S.A. Neustroyev, who distinguished himself in the storming of the Reichstag, lives in Sevastopol now. It was our "League" that made some funds available to him to take part in the Victory Parade in Moscow. Poor Ukraine did not show respect for the hero, nor did Russia.

[Knyazev] Does your "League" consist mainly of elderly people?

[Yermakov] You can't say that. Young people are also attracted to us. Nowadays young men and women are left to their own devices, nobody wants them. We help them to find jobs and study. In 1996, for instance, we plan to set up special grants for students who are orphans at Sevastopol University, and maybe at the technical schools too. We are studying the demand for specialists at firms and plants, so as to be able to offer young people jobs later.

[Knyazev] They say that thus far the only members of your "League" are Russians, Ukrainians, and Belarusians.

[Yermakov] That is a pure fabrication. And I know what it's about. There are certain politicians in Ukraine who have an interest in kindling ethnic conflicts. There are "specialists" in that in Crimea too. But Crimea is a special kind of region. And now that the Tatars, Greeks, Germans, and Bulgarians have begun to return here, false reports are being persistently disseminated on the activity of many progressive movements, parties, and organizations. In fact our "League" is multinational. And it always will be, because that is what the Slav states are like.

[Knyazev] Ivan Fedosovich, are there organizations like yours in other cities and states of the CIS?

[Yermakov] Yes, there are movements and organizations of this kind in Kiev, Minsk, and Moscow. We have already established links with many of them. Our representatives have visited them, and they have come to us in turn. Information on our ideas, objectives, and deeds is disseminated in the mass media of Russia, Belarus, and Ukraine.

[Knyazev] Does your "League" maintain links with the Black Sea Fleet?

[Yermakov] Certainly. I wish the Black Sea Fleet was a united fleet. But life dictates its will. I think Russia will still have a powerful fleet in the south. It is more difficult for Ukraine to achieve that. It has few resources for these purposes. And it is difficult to start everything from scratch. But if you are a maritime state you have to have a fleet.

[Knyazev] It is well known that after your discharge to the reserve you ended up without a pension. How did that come about?

[Yermakov] I was discharged to the reserve by the Ukrainian defense minister, although I never served a single day in the Ukrainian armed forces. I don't know whether my case was reported to the Russian defense minister, as successor to the USSR defense minister. Anyway, that is not the most important matter in the present situation. After all, I'm working....

[Knyazev] As chairman of the "League's" board?

[Yermakov] No. That is my public work. I don't get paid for it. Anyway, that's not the point.

Imagine how gratifying it is to see hundreds of people joining our "League" every day. People send applications from various regions of Crimea and letters come in from all over the former USSR. And that is a long-lasting prospect for the future.

National Affairs

Officials Insist Nuclear Accident Poses No Danger

AU0412214395 Paris AFP in English 2125 GMT 4 Dec 95

[FBIS Transcribed Text] Kiev, Dec 4 (AFP) — A Ukrainian nuclear reactor was shut down Monday [4 December] after a leak of radioactive water in an accident classified as serious, the government said.

Officials insisted that no radioactivity escaped from the Zaparozhe power plant, Europe's largest, and that the contaminated water remained inside the housing of the reactor's primary cooling circuit.

Head engineer Danko Beli told AFP by telephone that the leak began at noon and could only be stopped four

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

hours later but that radiation levels were now "1,000 times less than normal."

"Between one and two litres of contaminated water leaked out of a hole the size of a pinprick every hour, but it remained inside the hermetic housing of the primary circuit," he added.

"The reactor was disconnected and is in the process of cooling down. The leak will be repaired after it has cooled and the reactor will be started up again after checks."

Nikolai Oberkovich, a spokesman for the Ukrainian nuclear energy commission, said the incident would have no harmful effects on the environment. But he admitted that the incident would be classified as "level two," or dangerous, on the international scale for nuclear accidents.

Ukraine was the site of the world's worst civilian nuclear accident in 1986, when a reactor at the Chernobyl plant exploded, spewing radioactivity over much of northern Europe.

However the Zaparozhe plant, with its six reactors, is considered much more modern and safer than the Chernoybl power station.

Environment Minister Views Chernobyl Problems

AU0412211495 Kiev URYADOVYY KURYER in Ukrainian 30 Nov 95 p 4

[Interview with Yuriy Ivanovych Kostenko, Ukrainian minister of environmental protection and nuclear safety, by Viktoriya Vlasenko; place and date not given: "We Will Act the Way Economic Circumstances Demand"]

[FBIS Translated Text] [Vlasenko] Yuriy Ivanovych, on 8 August Leonid Kuchma sent letters to heads of the G-7 member countries on further cooperation in tackling Chernobyl's problems. What was the reason for this?

Our president's letter was the reply to the report by Canadian Prime Minister Jean Chretiene on results of the meeting of G-7 heads in Halifax and further negotiating process on closing down the Chernobyl nuclear power station. As you know, Canada presently presides in the G-7 and the Canadian Government is keen to achieve progress in solving this problem during its time in office. Our president's letter expressed concern that, despite the promises to help us to implement the Chernobyl program efficiently, there is still no distinct answer on the part of the G-7 to major questions that must be answered if Ukraine is to be able to start, on its own, to implement the schedule for decommissioning Chernobyl.

As is known, Ukraine agreed to start the process of closing down Chernobyl on condition that it would be granted corresponding financial and technical assistance to build compensatory capacities and storage facilities for spent nuclear fuel and radioactive waste and also to solve problems of social protection for the population in Slavutych. As one way of solving these problems, the Ukrainian Government proposed that a thermal plant be built near Slavutych. Apart from compensation for the power lost as a result of closing down nuclear power facilities and the creation new jobs, this would make it possible to finance the construction of the "Ukryttya" [Shelter] facility and the shutting down of the nuclear power station. A considerable part of the income from selling the electricity generated by the new plant could be channeled into the implementation of the Chernobyl program. In this way, we would be able to finance the closing down of Chernobyl, because we cannot count upon budget funds.

[Vlasenko] Negotiations between the Ukrainian delegation and the G-7 have recently ended in Kiev. What are the results of this important meeting?

[Kostenko] During the talks, the Ukrainian side reiterated that implementing the large-scale program for decommissioning Chernobyl involves great economic and financial outlays and is only possible if our foreign partners provide sufficient assistance. Taking into account that programs for decommissioning Chernobyl and building the new "shelter" are nonprofit ventures, our delegation insisted that financial assistance be given to us in the form of grants. We also noted that the volume of assistance proposed by the West does not even cover the cost of producing the technical documentation.

Thus, further progress in negotiations is only possible after the G-7 specifies its commitments on the funding of the Chernobyl program. However, new accords were reached. For example, in the very near future, joint work of experts may result in a draft agreement between Ukraine and the G-7 states in which mutual obligations of the sides, principles of cooperation, and sources and mechanisms for financing measures envisaged by the action plan will be determined.

The delegations also agreed on the most important issue, the principles for financing the decommissioning program for Chernobyl. It was decided to divide all the projects within the framework of the action plan into two categories: profitable and nonprofitable. The former must be financed from long-term preferential credits from Western and Ukrainian financial institutions and the latter from G-7 states' grants.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Vlasenko] Yuriy Ivanovych, during your visit to Vienna for the IAEA [International Atomic Energy Agency] General Conference held its 39th session, the Ukrainian delegation met with representatives of the U.S. delegation. It is also known that the United States, unlike other G-7 members, supports the project to build the thermal station. Was this discussed during the meeting?

[Kostenko] U.S. Energy Minister H. O'Leary, who headed the U.S. delegation, underscored the United States' commitment to maintain partnership in solving Chernobyl's problems. In her opinion, Ukraine's action plan is realistic. As a specialist, she finds the idea of building the steam-gas plant rational. At the same time, the U.S. delegation cannot, at this stage, come up with anything concrete, because G-7 decisions are made collectively. Pointing to the need to look at the details, O'Leary promised to study this issue upon returning to the United States.

Our delegation emphasized that Ukraine had, in fact, already started to carry out its commitments on decommissioning Chernobyl (it decided not to commission the second power unit planned for the first quarter of 1996 and suspended the implementation of long-term measures for raising the safety level of the reactors). In accordance with previous accords, we expected this summer to obtain, if not the money, then the G-7's clear financial obligations on implementing the action plan. The delegation refuted the accusations that are sometimes voiced in the West that Ukraine cannot decide on how to solve the problem of Chernobyl. Ukraine's position remains unchanged: Either we build a thermal plant using grants and the remaining costs of implementing the program will be financed by Ukraine on its own, or purpose-oriented funds in the form of grants should be provided to close down Chernobyl and implement the "Ukryttya" project, and the problem of energy compensation will be solved. The Ukrainian delegation stressed (this was also a point in the president's letter to the heads of the G-7 countries) that, unless there is adequate assistance on the part of the West, Ukraine reserves the right to act as the economic circumstances that have taken shape in the state demand.

[Vlasenko] What are we going to do?

[Kostenko] Various proposals are being discussed. For example, the State Committee for Nuclear Power proposes that the existing Chernobyl power units be reconstructed; the Ministry of Energy prefers reconstructing thermal and hydroelectric plants. There are other proposals, too. However, the government and president will make the final decision. It will be fulfilled.

[Vlasenko] There are currently about 800 burial sites in the Chernobyl zone from which radiation is being spread by subsurface water. Is there a program for cleaning up the zone and what is its future?

[Kostenko] In the Chernobyl zone there is now 95 percent of the total amount of Ukraine's radioactive waste. This includes both that in and around the destroyed unit and that in the burial sites. All together, there are over 800 temporary emergency radioactive waste storage facilities in the zone. They were set up in 1986 for the temporary collection of radioactive waste. Their total volume is approximately 1 billion cubic meters and total radioactivity is 0.4 million curies. The categorization, stabilization, and reburial in ecologically safe storage facilities constitute a serious problem and will continue for decades even if adequate financing is forthcoming. However, there already exists a program for cleaning up the Chernobyl zone based upon the law on handling radioactive waste. Even though the implementation of the program is being hampered by the lack of finance, work is under way with the participation of Western companies on creating special dry storage facilities in which fuel may be stored for between 40 and 50 years. This is, of course, a temporary solution. Preparations have also started for creating storage facilities for highly radioactive waste and Ukraine has all the conditions enabling it to bury highly radioactive waste and spent fuel reliably and for ever within deep-seated geological formations. However, here again the fatal shortage of funds is in the way. The situation might be helped by a law on nuclear energy utilization that would provide for the need for every nuclear power station to transfer part of its profits to a special fund for covering expenditure associated with the activity of nuclear power stations. However, there is no such law as yet.

Kuchma Approves Crimean Economic Experiment

LD0412201795 Moscow ITAR-TASS in English 1910 GMT 4 Dec 95

[By Mikhail Melnik and Raisa Stetsyura]

[FBIS Transcribed Text] KIEV, December 4 (Itar-Tass) — Ukrainian President Leonid Kuchma has approved a plan to conduct an experiment in the Sivash economic zone in Northern Crimea.

A decree signed by the president on Monday determines the make-up of a supervisory council led by Minister Vitaliy Pustovoitenko.

Under the decree, taxpayers registered as agents operating in the economic zone will pay half of the profit tax and value added tax on the products they manufacture.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

They will also be exempt from import tariffs and excise duties if they import goods to meet their own production needs. No quotas or licences will be required for exports from the free economic zone, while foreign exchange earnings will not be subject to obligatory sale on the Interbank Currency Exchange.

Kuchma ordered the government to compile a list of property needed for the experiment and to hand it over to the administration of the free economic zone.

All expenses incurred by the experiment will be included in the future budget.

However, the Ukrainian parliament has yet to adopt a number of documents concerning local economic experiments.

Economic Issues

Labor Minister on Wages, Unemployment

WS0512105795 Kiev INTELNEWS in English 2145 GMT 3 Dec 95

[Interview with Minister of Labor Mykhailo Kaskevych by Leonid Kurochkin; place and date not given; first paragraph is INTELNEWS introduction — from the "Economic Review" feature]

[FBIS Transcribed Text] Economic Review spoke with Labor Minister Mykhailo Kaskevych on such vital issues as delayed paychecks, forced unpaid vacations and international cooperation to improve Ukrainian labor conditions. Kaskevych contends the government is working to crack down on infringements as well as aiming to provide adequate unemployment benefits and job placement resources for workers in hard times.

[ER] In many regions the payment of wages are delayed. Is this illegal?

[Kaskevych] The law states that wages are to be paid at least twice a month and the administrative code is supposed to contain amendments clarifying the responsibility for violations. We are elaborating these amendments jointly with trade unions.

[ER] A lot of people now are forced to take unpaid vacations. Enterprises are not running at their full capacity. How can that be eliminated?

[Kaskevych] In the future, numerous legal acts, draft presidential and government resolutions are planned. But the most crucial issue here is the problem of regulating wages.

Unfortunately, the current situation creates cases when monopolist enterprises through inflated prices are able to pay very high wages to their employees and sometimes these wages are not fair with respect to work. On the other hand, there are enterprises where people work hard and are employed full days, but their earnings are low. We have to verify these problems are insufficiently regulated by the state. So, the respective projects are passed to Parliament and suggestions will be supplied to the government.

[ER] And how will the problems associated with unemployment be solved, specifically unemployment insurance?

[Kaskevych] This is supposed to be solved soon. As we all know, current unemployment benefits are insufficient. These regulations should be revised. We will supply suggestions to the government and Parliament.

[ER] What would you say about these problems that could be solved?

[Kaskevych] The government has already held a meeting to examine a draft law providing the basis of social insurance. The question of medical insurance, pension unemployment insurance and industrial injury insurance have to be solved as well. I think during this and the next year the legislative base will be worked out. I see the evolution of this process and the reform of the social insurance can be continued for 10 years.

[ER] There are many people worrying about the question of full employment.

[Kaskevych] Yes, because for many people work on a certain enterprise is unstable. In Western countries, people change their profession, job or qualifications an average five to six times during their working life. And this is normal because conditions change, the technical process is perfected and new production structures develop.

Everybody knows that our employment centers work even at the district level. Some 11,000 people are employed in this system and everybody can go and receive assistance.

On Jan. 1, some 16,000 people were trained and retrained due to the assistance of employment centers. This year the centers initiated professional education of 25,000 people. To tell the truth, during previous times our employment resources fund was richer. Today, we accumulate money for the case of unemployment development.

We have provided financial aid and given credits to develop small enterprises.

[ER] Employment problems are largely the same in other countries of the Commonwealth of Independent States, but do we have common ways to solve these problems?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Kaskevych] There are a lot of common points. The ministry worked out corresponding international agreements with all neighboring countries. They touch upon certain guarantees connected with employment, in particular with regard to Ukrainian citizens in Russia and Belarus, and likewise for Russian, Belarusan, Moldovan, Poland and other citizens in Ukraine.

The same agreements were signed with other countries. Several agreements with CIS countries are to be completed in the near future. We have CIS consulting council on social and labor questions. We try to take an active part in this process.

Some agreements deal with qualifications of professions, and we can't develop them independently. That's why we develop them simultaneously. We cooperate on a multinational basis within the framework of CIS.

[ER] The International Labor Organization [ILO] plays an important role in labor processes all across the world. Would you discuss Ukrainian cooperation with it?

[Kaskevych] In speaking about the international working level of our ministry, we have to mention the ILO. Ukraine has been an ILO member since 1954. Last year ILO celebrated its 75th anniversary. ILO is included in the United Nations organization, although it's older then the UN.

Working out conventions and recommendations, ILO influences national legislation not only in Ukraine, but generally around the world. Ratifying certain ILO norms, members are obligated to carry out certain conventions or recommendations. Ukraine has already ratified a number of conventions and recommendations, and we also actively cooperate with ILO experts.

With respect to our national legislation, I have to say that all the draft labor laws worked out by the Labor Ministry are to be approved in corresponding departments of the ILO. In any case, that means that the laws on labor relations developed in Ukraine correspond to the international standards.

[ER] As never before, our economy needs foreign investments, particularly from the West. Could your ministry promote this process?

[Kaskevych] It's always difficult to attract money to countries recovering from political and economical instability. That is why every Ukrainian ministry has to carry out its proper role to stabilize the situation in the national economy. How can our ministry wield influence on this process? Of course through stability in the sphere of paying wages and in the sphere of employment.

We want the legislation and measures we take regarding these questions to correspond to standards existing in developed countries.

This is the right way to build economic policy incrementally — by economic ministry, foreign economic relations ministry, finance ministry, and so on.

[ER] We have a lot of unemployed people. Does this reserve in our labor force attract foreign investors?

[Kaskevych] I would like to show this problem from the other angle. Ukraine is not simply a country with a reservce of labor. This force is very well educated and qualified. This fact has to attract foreign investors. The question is whether such a labor force can work not only for satisfaction of private needs, but also for contributing to the state budget, for the profits of certain structures, and for the profits of foreign investors.

[ER] Isn't the Labor Ministry working with other countries for new ideas, like Canada and the United States?

[Kaskevych] I have to say that Canada pays much attention to direct contacts between its government and ours. From time to time, high-level Ukrainian officials receive training in Canada. Canadians like to share their experience. We also have contacts with the United States, but they are not as concrete as with Canada. To speak about Western countries, we support daily contacts with Hungary and Germany.

[ER] Could you say that everything from their experience is suitable for us?

[Kaskevych] In any case we don't just make a copy of what they have, because we have our specific features. We take a lot, particularly from German legislation, and I have to say that Germans have developed a really attractive system.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belarus

President Announces New 'Unique' Air Defense System

LD0412161595 Moscow INTERFAX in English 1409 GMT 4 Dec 95

[FBIS Transcribed Text] MINSK, Dec 4 (Interfax-West) — A unique air defense system has been developed by the Belarusian military-industrial complex, Belarusian President Alyaksandr Lukashenka said in an exclusive Interfax interview.

The Belarusian defense minister will soon submit a proposal for marketing the classified system abroad, said Lukashenka. A special interest in the system has been shown by China.

He said Belarus has long since chosen its strategic ally — Russia. The two states do not have to discuss military partnership because their alliance was not ruined, stressed Lukashenka.

He admitted that Belarus has one of the most powerful armed forces in Europe, but stressed the country maintains a peaceful foreign policy and does not plan to use its military potential for aggressive purposes.

Asked about possible Belarusian loss of its statehood in the planned integration with Russia, Lukashenka said both he and Russian leaders Boris Yeltsin and Viktor Chernomyrdin understand this is impossible. In his opinion, Belarusian-Russian cooperation is a model of civilized integration.

The president noted the need to start integration with financial-industrial groups. If financial-industrial integration starts, the Customs Union will work as it should be, said Lukashenka.

Poll: Lukashenka Most Popular Leader in CIS

LD0412191995 Moscow INTERFAX in English 1745 GMT 4 Dec 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] According to a report made public in Minsk, the Russian Sociological Academy found that Alyaksandr Lukashenka is the most popular CIS leader in Russia.

In a poll of 100,000, 35.6 percent said they would vote for Lukashenka if he ran for Russian presidency while six percent would vote for Kazakh President Nursultan Nazarbayev and four percent for Georgian President Eduard Shevardnadze.

Vladimir Zametalin, the head of Lukashenka's press service and his deputy chief of staff, said that this result of the poll should not be misconstrued into accusations that Lukashenka plans to take over Russia or impose a Pinochet-like regime in Belarus. Zametalin doubted the intentions of those who had carried out the poll.

Reaction Urged to Lukashenka's Praise of Hitler

WS0512115995 Minsk SVABODA in Belarusian 2 Dec 95 p 5

[Article by Yuryy Drakakhrust: "Everyone Gets What He Deserves" — preceding title published in German]

[FBIS Translated Text] Even the most fervent opponents of the [Belarusian] president could never imagine that the target of their criticism would openly praise Hitler.

There are many leaders in the world whose ideology and activities very much resemble fascism. However, no dictator ever thinks about openly expressing his sympathy to the founder of the Third Reich, going to great lengths to wipe off the brand of being a fascist and Hitler's follower. Here, our head of state puts this brand on himself voluntarily and without any compulsion.

In Germany, any public figure that ventures to praise Hitler's domestic or foreign policies immediately becomes a political has-been. Worse, such a person could even face criminal charges. Hitler's methods of "national consolidation" are well known; they included Gestapo, pogroms, and concentration camps. This system of "consolidation" was launched in Hitler's Germany long before the war. As a matter of fact, describing the Nazi regime is like prying an open door — everyone knows all about it. This makes praising this regime by the leader of a country whose every fourth inhabitant was killed by Nazism even more bizarre and incredible.

But let us put our quite explicable emotions aside. Let us try instead to understand what unfortunate reason prompted the president to utter those fatal words.

The most harmless version is that the president again suffered from his habit of telling a person with whom he has a conversation things that, in the president's opinion, this person wants to hear. In his homeland, he pretty deftly guesses those wishes. In this case, however, the president's mentality of a Soviet Belarusian did him a disservice. For decades, Soviet propaganda drilled it in people's minds that German post-war democracy was a smokescreen, and that Germany was preparing for a revenge, secretly worshiping its old-time idol — Hitler. And so, our Soviet-molded historian was presented with a chance to say something nice to Germans and cover the Western base, so to say. So, what did he have to say? Of course, praise Hitler — boy, will Germans be happy! His education ruined it all; but the desire to say something nice was so strong.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

This explanation, however, seems to be just one of many and insufficient.

It is also possible that it was the president's wise aides who advised him to compare his fate with that of the German fuehrer; and these were the aides who had written him off as their patron. It is not by coincidence that the interview to the German newspaper was aired by Belarusian Radio so that people learn first hand about the president's opinion.

Hailing Hitler will act as long-lasting compromising evidence, retaining its force after one year, as well as five years. This is an unwashable stain: You cannot say here that you did not know the man, get away by apologizing, or issue an edict redoing the past. It is a political spit in the face of the entire society and all the parties; above all, the Communist Party. For them, who have monopoly on the war topic, it will be hard to reconcile their anti- fascist rhetoric with support for Hitler's follower.

In addition, you should not forget the international echo that the president's statements will trigger. Already there are not many leaders that are keen to meet with him. Now, after his pro-Hitler statements, such contacts will become simply dangerous. The opposition and media would leave one in shambles. That the sympathy towards Hitler is expressed by the leader of a country that suffered perhaps most of all from fascism is doubly humiliating both for its leader and the country in the eyes of the international community. So, the doors, narrowly opened as it is, can be slammed shut, after all. And one could guess where this could happen in the first place: in America, Germany, Poland, and Israel — the countries that are the main partners of Belarus. And, of course, in Russia. There is much of everything in Russia. But still, open supporters of Hitler who sometimes appear on television are on the political fringe in that country. For the Russian political establishment, even for its radical part, praising Hitler is a taboo.

As a matter of fact, there is another possible explanation. It is true that a severe blow has been delivered to the president's reputation and another step toward an abyss made. But looking back, one could notice that there was a second facet to all the steps and statements made by the president that raised so much hew and cry. Not only did they hit a visible goal (crackdown on the opposition, control over mass media, and so on), but they also demoralized society, demonstrating that human dignity, rights, and rules are nothing for power. Were the "white spots" in newspapers [censored articles] not a risky venture? Yes, they were. But it worked and society "swallowed" it, giving way to other steps.

The risk is quite high, even now. But if Belarusians do not react to the acclaim for Hitler either, this will mean that one can do anything with them. Then, Gestapo, pogroms, and concentration camps will be suitable and natural. There will be a new consciousness. If they tell the people that radical nationalists are offsprings of the fascist hanger-ons, the people will burn with noble rage. And should they say that Hitler consolidated the German nation and we, too, could do the same, the people will calm down and become filled with state wisdom. It is the radical nationalists that take all bad things from Hitler, those in power take only good things.

In a sense, the president's statement did not come as a surprise. The sympathy to the Nazi state is a logical continuation of the Pan-Slavism which is becoming the state ideology of Belarus and of the political behavior of the present Belarusian leadership. From the psychological point of view, let us recall that Hitler said that former social-democrats and liberals are not allowed in the Nazi party. But the communists are cordially welcomed.

As they say, everyone should have what he deserves. Jedem das Seine, in German. This slogan hung above the gates of Buchenwald.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Tajikistan

Government Concern About Tension on Afghan Border

LD0512115895 Moscow INTERFAX in English 1031 GMT 5 Dec 95

[FBIS Transcribed Text] DUSHANBE, Dec 5 (Interfax) — The Tajikistan government expressed concern about the aggravation of tensions on its border with Afghanistan in a statement forwarded Tuesday to head of the U.N. Observer Mission in Dushanbe Darko Silovic.

The statement says that "border posts and frontier stations on Tajik soil have been showered with jet missiles from across the Afghan border virtually every day since the beginning of December," the press secretary of Tajikistan's president Zafar Saidov told Interfax.

Such illegal actions have become particularly significant at the 12th station of the Moscow Frontier Detachment and in the Shuroabad direction of the border, the press secretary said.

"Members of the joint commission for monitoring compliance with the Tehran agreement, representing the opposition, have not reacted to such incidents at all," says the statement, pointing out in this connection that the opposition "either does not wish to resolve the inter-Tajik conflict peacefully, or is not in a position to control the activity of armed formations."

The Tajikistan government requested Silovic to inform the U.N. secretary general and Security Council accordingly so that they could take corresponding measures.

UN Envoy Upbeat Over Future Inter-Tajik Talks

LD0412164195 Moscow ITAR-TASS in English 1512 GMT 4 Dec 95

[By Lyudmila Glazovskaya]

[FBIS Transcribed Text] ASHGABAT, December 4 (Itar-Tass) — The Tajik government and the opposition met with U.N. special envoy to Tajikistan Ramiro Piriz-Ballon on Monday to confirm their on-site inspection guarantees to check the observance of a cease-fire agreement.

Ballon stressed that such a position has opened up new possibilities for discussing issues connected with the future of the talks.

U.N. officials pointed out that there have been no deviations either in the nature or terms of talks and welcomed both sides' inclination towards compromises as an encouraging sign.

Ballon believes that one should not expect specific results to come on a daily basis. The nature of the continuing round of intra-Tajik talks calls for a balanced approach and does not admit of haste and promulgation of interim results.

In this context, the U.N. officials urged the parties to the talks to refrain from excessive communication with the press in circumvention of general agreements.

Observer's Deployment in Pamir Hoped For

LD0412210395 Moscow INTERFAX in English 1904 GMT 4 Dec 95

[FBIS Transcribed Text] ASHGABAT, Dec 4 (Interfax) — Despite hopes, Tajik government officials and opposition leaders did not meet in the Turkmen capital of Ashgabat Monday. Instead, U.N. officials continued separate consultations with the two delegations and observers.

The special envoy of the U.N. secretary-general, Ramiro Piriz-Ballon, told Interfax that the discussion focused on procedural issues, particularly negotiation rules and agenda.

An Interfax reporter separately asked all sides to the talks about the date of the deployment of observers in Tavil-Dara where Tajik government military operations were reported. As has already been reported, the opposition conditioned the start of the talks to an end of the alleged federal offensive.

Opposition leader Akbar Turadzhonoda said his side had guaranteed safety to a joint commission in Dushanbe and a mission of U.N. military observers. Blaming the United Nations and observers for inaction, he stated "we will make a statement that the future of the Tajik people and the Tajik talks interest no one, if the commission does not leave by Tuesday and the United Nations and observers remain silent."

"We are waiting for reports that we have all safety guarantees," Piriz-Ballon said. "We hope that the commission will leave for the site tomorrow morning." The head of the government delegation, First Deputy Prime Minister Mahmadsaid Ubaydullayev, was of the same opinion.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Azerbaijan

Aliyev Interviewed on Nagorno-Karabakh Situation

LD0412154595 Moscow ITAR-TASS World Service in Russian 1008 GMT 4 Dec 95

[By ITAR-TASS correspondent Mikhail Kalmykov]

[FBIS Translated Text] Paris, 4 Dec (ITAR-TASS) — "Azerbaijan has put forward a proposal under which Nagorno-Karabakh would have received a special political autonomy status in exchange for the recognition of our sovereignty over this region by Armenia, but [the latter] refused to do this," said Azerbaijani President Geydar Aliyev, on his arrival in Paris for a working visit. He said that this proposal was made with the mediation of the Minsk Group which was set up at the initiative of the OSCE.

Aliyev said that a peace deal can be reached providing this part of the country is abandoned by Armenia. He reiterated his adherence to the negotiating process on this "delicate issue". He hailed the implementation of the cease-fire accord which was signed last May.

Speaking about the results of the parliamentary elections and Constitutional referendum, which took place in November, Aliyev admitted that certain irregularities were committed which did not have any impact "on the results of voting" and its results were recognized by foreign observers.

Police Detain Three Oil Industry Workers

NC0412220595 Baku TURAN in English 1113 GMT 4 Dec 95

[FBIS Transcribed Text] Baku/04.12.95/TURAN—The oil-industry workers trade union told Turan today the oil-industry workers of "Gum Adasi" Oil and Gas Extraction Department (SOCAR) [State Oil Company of Azerbaijan Republic] held the rally of protest. They demanded release of their three colleagues, who were detained by the police yesterday.

The oil-industry workers believe the police has taken strict measures against the oil-industry workers, when they announced about their intention to go on strike due to their difficult economic situation.

Georgia

Shevardnadze on Economy, European Commission

LD0412140595 Tbilisi Radio Tbilisi Network in Georgian 0621 GMT 4 Dec 95

[Weekly interview with Georgian President Eduard Shevardnadze by correspondent Nato Oniani in Tbilisi — live]

[FBIS Translated Excerpt] [Oniani] Good morning. We present an interview with Georgian President Eduard Shevardnadze.

Mr. Shevardnadze, as we have normally done during the past year and a half, we shall presumably start our present interview by speaking about the economy. We shall do this because the year is ending and a new year is starting in about a month's time, because there is a lot to be said, because winter has come and this is the winter preparations for which we began long time ago, I mean the state of affairs in the energy system of the republic. So, there is a lot to be said and to be analyzed.

[Shevardnadze] Good morning. I am pleased to renew our reviews of the economic situation in Georgia. Although, naturally, I cannot speak very much on this topic in a radio interview, it is necessary to elaborate on some of the aspects of the economy.

At this crucial stage of the country's economic development, we have to implement consistently and continuously the program and the course of economic and social development, which was supported by the population of Georgia during the presidential election. In order to focus the efforts of the presidential power established in accordance with the Constitution, concrete action tasks and plans should be determined for each agency and each region. To achieve this, a special presidential decree will be prepared shortly, which, in compliance with an anticrisis course of reforms and an economic indicator diagram, will determine macroeconomic and microeconomic figures and trends. In these matters, we shall act in close cooperation with international financial organizations, mainly with the International Monetary Fund and the World Bank, a very authoritative mission of which is arriving in Georgia today to draw up and correlate issues of a three-year program of funding structural transformations. [passage omitted]

The Georgian economy has come to the beginning of the winter with significant trends toward financial stability. The national currency, the lari, has retained its firm position. Its rate was 1.24-1.26 lari to the U.S. dollar at the Tbilisi Interbank Currency Exchange last week, the volume of trade reaching 850,000 U.S. dollars.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

According to preliminary estimates for 11 months of the year made by the tax inspectorate, budget revenues exceeded 179 million lari against the forecast of 167 million lari. The plan has been exceeded by 12 million lari, that is 7 percent. [passage omitted]

The rate of declining production has decreased month after month. The index of fall was 24 percent in the first quarter compared with the previous year, 21 percent in six months, 18 percent in nine months, and 17 percent for 10 months. The last figure is also high but a tendency for the better is clearly observed. I would like to add that although this is not a final figure and the percentage might vary, the trend is clearly noticeable and the estimates for November are even more reassuring. There is an increase in production in November, which is expected to reach 8-10 per cent according to preliminary estimates. I do hope that December will be even more impressive taking into account that last December our industry was practically at a standstill. [passage omitted]

The Kavkasioni high-voltage line has been restored due to the miraculous help of Russian power engineers. I would like to express the hope that the population of Mestia District, who played a significant role in the work, will take good care of the line and will not permit recurrence of what happened in the past.

However, Sakenergo [Georgian energy department] still faces great difficulties, especially financial difficulties. Customers owe the department about 93 million lari. How can the system work in this situation? It is not accidental that presidential decree No. 1 stipulated ways of resolving the problem. The decree has assigned the responsibility for implementing emergency measures in the energy system upon heads of provincial administration, town mayors, and heads of district administrations. The Control Chamber, the Prosecutor's Office, and all other state structures have to take an active part in settling the issue of repayments of debts for consumed electricity and, in fact, they have already started these activities. A settlement of the issue is very important for securing continuous supply of power to enterprises and the population during the winter. [passage omitted]

I would like to draw your attention to very reassuring changes at the Georgian railway. The traffic has been straightened out and the railway has acquired its own assets and cash turnover. The income exceeds 250,000 lari a day. Freight trains as well as passenger trains run properly. You may recall that there used to be no timetable in the past. Now the timetables are met. [passage omitted] This is the result of order. There have been no significant spending or capital investments. This means that the Georgian railway has immense potentials. [passage omitted] It is estimated that by May next year our railways will be able to carry 9 million tonnes of cargo. This will provide huge incomes for the railway and huge incomes for the country. [passage omitted]

Success in shaping the 1996 state budget, the first budget in the wake of the presidential program, will have a decisive role in implementing the program. It has to reflect the course of reforms. New legislative acts on the budget system of Georgia should be promptly drawn up on the basis of the Georgian Constitution. [passage omitted] Extrabudgetary state funds, together with the central state budget, have to comprise a consolidated central state budget. [passage omitted]

Some important changes are expected in the current budget system. For instance, changes with regard to the provincial structures of the country. In particular, there is an idea of establishing a provincial fund as a new financial institution. This is supposed to become a forerunner of a provincial budget. However, it may remain as a provincial fund for urgent and essential measures required in the provinces. [passage omitted]

Revenues should be increased not through an increase in taxation, but mainly through an increase in production. We had a long meeting yesterday with heads of various branches and we resolved that the taxation system needs to undergo serious improvements. As I said in my program speech, a system should be created which will give incentive to the development of industry, to the development of entrepreneurship, and to the increase in the output. Thus, the increase in budget revenues will not depend on higher taxes, or rather the tax hike will not be the source of the budget revenues. [passage omitted]

The privatization process advances well. Of 7,500 facilities stipulated in the small program of privatization, 6,100 have already been privatized, that is 82 percent. Some 840 joint-stock associations have been established. Twenty voucher auctions have been held, where over 600 joint-stock companies sold about 35 percent of their shares. [passage omitted]

It is now very important that proper conditions be set up for the newly shaped stratum of entrepreneurs to act. With regard to this, along with improving the taxation system, we have to pay more attention to the implementation of investment programs. [passage omitted]

Yet another issue. In very general terms. We need emergency measures in agriculture, in the whole agro-industrial complex. Significant structural changes will be required. The rural economy, the processing industry, the sphere of food supply to the country must be

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

governed by one hand. Qualitative changes are to be expedited in this huge sphere.

The economic life of our country as well as the development of the state will seriously depend on a new structure of executive power, which must be as rational as possible, not costly and very efficient.

[Oniani] Shall we have to expect significant structural changes?

[Shevardnadze] Very significant, I believe. There should be an absolutely new power from the structural point of view. We almost completed discussions on the issue yesterday. Certain corrections will be introduced today and in the next few days, after the work has been completed, a draft project on the structures of the executive power will be submitted to the parliament. Only after that we will discuss personal appointments.

[Oniani] A delegation of the European Commission visited Georgia last week. Can we say that Georgia continues to broaden its relations with the European structures and not only economic relations because this has a political aspect, too?

[Shevardnadze] A meeting with the EU delegation was significant from three points of view. Firstly, we reached an actual agreement and we signed documents on allotting 160,000 tonnes of wheat to Georgia. We also discussed the machinery of using the wheat.

Secondly, we discussed work on a draft agreement on partnership relations between Georgia and the European Union. This will be a large agreement. As I have said before, this will be a comprehensive agreement with strong potential, which will give our country a broad access to the European processes and first of all to the economic integration. We shall sign this agreement in Brussels in the beginning of 1996 and this will be an important occasion in the life of our country.

Thirdly, the European Union shows a growing interest in the development of the Europe-Asia corridor. This issue ran all through our talks. In this respect, Georgia is gaining the functions of an interesting and essential partner for Europe.

To cut the long story short, the strategic course we chose, I shall explain later why I am emphasizing the word "strategic", the strategic course of active involvement in the political and economic life of the continent is being implemented successfully and will do our country much good.

Now, why did I emphasize the words "the strategic course"? The other day I listened to a TV program, one of the participants of which said that the head of state had a little idea of tactics, but he had no idea of strategy whatsoever. I just mentioned one example of what I consider as a strategic course: integration into European political and economic structures. The same can be said about the political and economic integration into the CIS, for instance. One aspect of the strategy will be the signing of a partnership agreement on which the Georgian authorities together with the leadership of the European Union have been working for almost three years.

So, we have a strategic course and the authorities have an idea of what the strategy is and what the tactics is.

[Oniani] And again a question from the sphere of the economy. The Akhaltsikhe customs checkpoint was put into operation last week. We may recall how festively it was opened on 31 July and how the leadership of the two countries [Georgia and Turkey] welcomed it. I remember an official saying that Turkey had never sent a delegation like that to any other country before, a delegation consisting of all the top officials of the country. President Demirel, Prime Minister Ciller, and many ministers were there.

[Shevardnadze] You are all well aware of the importance of the Sarpi checkpoint not only for Turkish-Georgian relations but also for the development of our economic and other relations with many other countries including countries of Europe and Asia. It also plays a significant role in shaping Georgia into a transit state. The route has played and will further play a great role. The role of the leader of Ajaria, Aslan Abashidze, in creating and expanding the route is very big. According to its infrastructure, this can be regarded as a model route in the whole region, I mean not only in Georgia and the Caucasus. Naturally, the route provides Ajaria's as well as the country's budgets with substantial revenues.

The Akhaltsikhe route has a similar potential. In fact, there is no competition between these two routes. There are so many goods to be carried through these checkpoints from Europe to Asia and from Asia to Europe that obviously several more routes will be required. [passage omitted]

The route has a great future. Indeed, traffic will be limited during winter months, but in spring we shall be prepared to eliminate any obstacles and allow passengers as well as hundreds of thousand tonnes of goods, perhaps millions of tonnes in the future, to travel to Russia, Central Asia, Azerbaijan, Armenia, Iran, and other states. This will certainly give the country revenues of millions of U.S. dollars. [passage omitted]

I have to say that there were some difficulties with regard to border guards but the commander of our Border

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Troops, Mr. Chkheidze, together with his Russian counterparts, settled all the moot points and now we can say that the route will be operated.

[Oniani] May I ask you yet another question? The Georgian Parliament renewed its work last week. Some changes have been introduced in the regulations, the leader of the majority faction has been elected and 14 committees have been approved. What is your appraisal of the parliament, which, according to some speculations, is not expected to be interesting because the full political spectrum is not represented there.

[Shevardnadze] Although it is not my job to appraise parliament's activity, I would like to express my point of view. I would like to express great satisfaction with the promising start the parliament made.

In view of the first sittings, a business-like and creative atmosphere will take hold in the parliament. As the chairman of the parliament, Mr. Zurab Zhvania, said in his program speech, the building of the state and the creation of a legislative basis in this difficult situation would be the main concern of the new corps of the parliament deputies.

I have an impression that after the first sittings of the parliament the population sighed with relief. I believe it is not an exaggeration. This can be said with good reasons. I believe that we have elected a good parliament.

[Oniani] Thank you. You have listened to the president of the Republic of Georgia, Mr. Eduard Shevardnadze.

Shevardnadze Dismantles Unit for Complicity in Terrorism

LD0412160695 Tbilisi Radio Tbilisi Network in Georgian 1510 GMT 4 Dec 95

[FBIS Translated Text] President Shevardnadze has dismantled the Alfa subunit. The decision comes following the complicity of a number of the leaders of the subunit in the terrorist act on 19 August 1995.

Police Find Arms Cache on Mkhredrioni Member's Land

LD0412200395 Moscow ITAR-TASS in English 1855 GMT 4 Dec 95

[By Tengiz Pachkoriya]

[FBIS Transcribed Text] TBILISI, December 4 (Itar-Tass) — Georgian police have found arms cache in the village Yetseri, Samtredia, western Georgia.

The cache was found on a plot of land belonging to a member of the disbanded paramilitary organisation Mkhredrioni, or Horsemen. The owner is wanted by police for committing a number of criminal offences, the press centre of the Georgian Interior Ministry told Itar-Tass.

The cache contained 52,000 rounds of ammunition for automatic guns, two mortars, two grenade launchers, about 100 grenades and other unregistered firearms.

Last summer, Georgian leader Eduard Shevardnadze signed a decree ordering Mkhedrioni members to turn in their arms and a few months later, on October 1, he signed another decree disbanding this organisation.

Power Line Linking Russia, Georgia Restored

LD0412160595 Moscow INTERFAX in English 1409 GMT 4 Dec 95

[FBIS Transcribed Text] TBILISI, Dec 4 (Interfax) — The Kavkasioni LEP-500 high-voltage electric power line linking Georgia and Russia has been restored and tested, Georgia's Energy Department told Interfax.

This winter Georgia will receive about 300 million kilowatt hours of electric energy through this line.

The damaged 100 kilometer-long stretch of the line was restored with assistance from Russia which has extended Georgia a 150 billion-ruble credit.

The Kavkasioni line, to be put into service next week, is to revive industrial production in Georgia and to bring electricity to Georgian homes, first of all in western Georgia.

Abkhaz Deputies Accuse Ardzinba of Betrayal

LD0412213395 Tbilisi SAKINFORM in Russian 1750 GMT 4 Dec 95

[FBIS Translated Text] Abkhaz radio has reported that a group of deputies of the Abkhaz parliament have blamed Vladislav Ardzinba for a willful drawing up of a draft agreement, without consulting the deputies, and sending the document off to Moscow where the talks are continuing on the settlement of the Abkhaz issue.

The deputies, led by Daur Bargandvia, think that the draft document drawn up by Ardzinba contradicts the official statement made by the participants of the quadripartite talks on Abkhazia, held on 4 April 1994.

Daur Bargandvia thinks that Ardzinba agrees on the creation of the Georgian federal state with some elements of a confederation. In the meantime, at a special briefing in Sukhumi, Ardzinba said: "Accusations against me are groundless. I have not committed an act of betrayal and I am wrongly accused of willful actions and a betrayal. I think that some Abkhaz politicians have a manic peculiarity to suspect betrayal in everything."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Estonia

EU Foreign Ministers Approve Tallinn's EU Application

LD0412205195 Tallinn Estonian Television Network in Estonian 1900 GMT 4 Dec 95

[FBIS Translated Excerpt] The foreign ministers of the European Union approved Estonia's application for joining the EU today. The Commission of Europe will start preparing for making assessments on Estonia and for starting negotiations.

The first official visit of Estonian Foreign Minister Siim Kallas to the European Union began today. At the same time, the Council of Foreign Ministers is meeting here in Brussels.

Today meetings were held with Javier Solana, the foreign minister of Spain, which currently holds the EU presidency, who will be officially appointed NATO secretary general tomorrow, and Mario Monti, the European commissioner for internal market and administration.

[Begin Siim Kallas recording] With Javier Solana we discussed the submitting of the EU application. He considered this to be a very logical step and congratulated me on the beginning of this process. I, in turn, explained our point of view, stating that we were coming into Europe not only to receive but also to give. First of all we are interested that our economic world obtain access to the European markets. I also said we were interested in negotiations on entering the European Union where all candidates had equal opportunities, without any political preferences or without it having been decided beforehand that a certain group or state will be given preference, but that the states that comply with the principles approved in Copenhagen in 1993 would be given priority for joining the EU.

The second meeting was with Mario Monti, a commissioner of the European Commission. This was quite a thorough meeting during which we discussed what will happen next, how the talks will start, and how the so-called opinion, which is the opinion of the Commission of Europe on our application, will be formed. [end recording] [passage omitted]

OSCE Commissioner Calls For Easing of Citizenship Law

WS0512101695 Tallinn BNS in English 1433 GMT 4 Dec 95

[FBIS Transcribed Text] Tallinn, Dec 4, BNS — The OSCE High Commissioner for Ethnic Minorities, Max van der Stoel, called on Estonia to make its citizenship law more liberal by easing the regulations concerning the period of living in the country and command of the Estonian language.

Speaking to reporters in Tallinn on Saturday [2 December], he said the government here should financially support teaching of Estonian to Russian-speakers.

Van der Stoel positively assessed the activity of a roundtable for ethnic minority issues with the Estonian president.

Interfax news agency quoted him as saying that there were no massive human rights violations in Estonia.

Van der Stoel was in Estonian for an international seminar on ethnic minority issues and met President Lennart Meri, Foreign Minister Siim Kallas, Interior Minister Mart Rask and representatives of the country's Russian-speaking community.

Vahi, Slovenian Defense Minister Discuss NATO Membership

LD0512114695 Tallinn Radio Tallinn Network in Estonian 1000 GMT 5 Dec 95

[FBIS Translated Text] Estonian Prime Minister Tiit Vahi and Slovenian Defense Minister Jelko Kacin discussed bringing Estonian and Slovenian defense forces in line with the standards of European defense forces today. Vahi and Kacin also discussed matters of expansion of the European Union and Estonia's and Slovenia's possible membership in NATO and the West European Union, the government press office reported.

Defense Committee Questions Defense Chief's Resignation

LD0412162295 Tallinn Radio Tallinn Network in Estonian 1300 GMT 4 Dec 95

[FBIS Translated Text] The state defense commission of the Riigikogu today issued a statement in which it says that the current solution to the conflict between the Ministry of Defense and the General Staff of the Defense Forces is one-sided and the matter needs additional consideration so that it could be assessed objectively.

At its unscheduled meeting, the state defense commission of the Riigikogu discussed the matters concerning the relieving of the commander of the Defense Forces [Aleksander Einseln] from his duties.

Tonu Korda, deputy chairman of the state defense commission from the center faction, told ETA [Estonian Telegraph Agency] that the problem was far from being solved. Jaanus Betlem, a member of the state defense committee from the Union of Fatherland and Estonian National Independence Party faction, said that

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the sitting of the commission generally agreed it was incorrect of the president to submit simultaneously bills on relieving the commander of the Defense Forces and on nominating a new one.

The statement distributed by the commission noted that in order to give an objective assessment to the problem, one should not forget that both sides must bear the responsibility.

Saeima Deputies Disagree With Firing

LD0412212095 Moscow INTERFAX in English 1904 GMT 4 Dec 95

[FBIS Transcribed Text] TALLINN, Dec 4 (Interfax) — The Estonian parliamentary commission for defense disagrees with the presidential decision to sack Defense Forces Commander Aleksander Einseln.

Further investigation is needed into Einseln's resignation, according to the commission statement received by Interfax Monday.

Einseln's resignation was connected with his dispute with Defense Minister Andrus Oovel, deputies said.

Oovel had charged Einseln with negligence following disclosed violations in the General HQ and illegal arms sales by some senior officers. Later Oovel demanded that Einseln, a U.S. citizen, "get out of the country, because his arms are in Vietnamese and Korean blood up to the elbows."

Estonian President Meri relieved Einseln of his duties at his own request last Sunday.

According to Estonia's constitution, as defense forces commander the parliament is to approve all appointments and resignations.

The parliament is to consider Einseln's resignation on December 11 and a new candidate for the post on December 18, Interfax learnt.

Local observers believe that the leader of the militarized volunteers' corps Kaitseliit, Colonel Johannes Kert, is the candidate most likely to be named for the post.

Latvia

OSCE Experts Arrive To Inspect Skrunda Radar Station

LD0512093995 Riga Radio Riga Network in Latvian 0800 GMT 5 Dec 95

[FBIS Translated Text] A group of inspectors of the Organization for Security and Cooperation in Europe [OSCE] has come to Latvia. They will examine the process of fulfilling obligations between Latvia and Russia and monitor the work of the Skrunda radar facility. The experts will be allowed to spend 72 hours at the active Skrunda facility.

As is known, the arrangement providing for inspections is laid down by the joint commission, which includes representatives from Latvia, Russia, and the OSCE. It should be called to mind that the first inspection took place in August.

According to the agreement between Latvia and Russia, the Skrunda radar facility will operate until 31 August 1998 and it should be dismantled by the year 2000. At the moment, Russia is renting the land for $5 million a year. The strength of personnel working at the facility should not exceed 599 military specialists and 199 civilian employees.

Premier-Designate Wants To Normalize Russian Relations

LD0412212295 Riga Radio Riga Network in Latvian 1800 GMT 4 Dec 95

[FBIS Translated Text] Ziedonis Cevers, Latvian prime minister-designate, today made the draft declaration of his government known to the press. The declaration says that in the sphere of foreign policy the government is planning to carry out active diplomatic work to obtain security guarantees until Latvia possibly joins structures of the European Union and NATO. The government will also work on normalizing bilateral relations between Latvia and Russia. The government of Ziedonis Cevers hopes to achieve Russia's recognition of the occupation of Latvia and that the problem of Abrene is settled on an international level.

Lithuania

Defense Minister Sees NATO Membership as 'Strategic Goal'

LD0412181295 Moscow INTERFAX in English 1642 GMT 4 Dec 95

[FBIS Transcribed Text] VILNIUS, Dec 4 (Interfax) — Lithuanian Defense Minister Linas Linkevicius does not consider the creation of a military alliance of Baltic states as a priority of Lithuanian defense policy.

"Joining NATO is a strategic goal for Lithuania and all efforts will be aimed at integration into this defense alliance," Linkevicius told Interfax Monday.

"All other steps and ideas can be justified only as long as they contribute to forming closer relations with NATO, European Union and other institutions of Western collective security," stressed Linkevicius.

He believes that military cooperation between Lithuania, Latvia and Estonia "must be intensive within the treaty on cooperation between Baltic Defense Ministries."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

To a question on possible participation of Lithuanian troops in peacekeeping operations in former Yugoslavia, Linkevicius said the government will soon submit to parliament draft laws, the implementation of which will allow Lithuanian forces to participate in such operations.

Lithuanian troops have already participated in peacekeeping operations in former Yugoslavia as part of the Danish peacekeeping battalion, he said. Denmark again formally proposed to Lithuania to include 32 of its peacekeepers in the Danish battalion, said Linkevicius.

Vilnius Invited To Participate in Bosnian Peacekeeping

WS0512102095 Vilnius ELTA in English 1814 GMT 4 Dec 95

[From "News Bulletin" No. 899]

[FBIS Transcribed Text] Vilnius, December 4, ELTA — Denmark extended the official invitation to Lithuania to participate in the peace implementation mission in Bosnia together with the battalion of the Nordic states. The Lithuanian Defence Ministry Secretary Valdemaras Sarapinas informed about it on Monday [4 December] after returning from the last week's meeting of military and leading committes of the Baltic peace-keeping battalion (BALTBAT) in Copenhagen.

According to Sarapinas, it was confirmed that Lithuanian and Estonian military units will go on mission in the former Yugoslavia due to begin in February, while Latvian Defence system leadership had not yet made a decision about sending its soldiers to the 60 thousand NATO's headed peacekeeping forces.

Lithuania is among the 30 countries having expressed wish of sending their peace-keepers to implement the peace agreement in Bosnia.

The Lithuanian Foreign Ministry report issued at the end of November also stated about the Lithuania's intentions to send its soldiers to the former Yugoslavia.

Although the Danish deputy Defence Minister and the BALTBAT rulling committee's chairman Peter Carlsen has already extended the official invitation, Lithuania did not formally confirmed its decision to take part in the peace-keeping mission.

According to Sarapinas, however, it is expected for the Government to approve the relevant draft decision next week, which later should be approved by Seimas.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.